



# Building on solid ground.

AGNICO EAGLE MINES LIMITED  
2015 SUSTAINABLE  
DEVELOPMENT REPORT



**AGNICO EAGLE**



# What's inside

OVERVIEW	OUR APPROACH TO SUSTAINABLE DEVELOPMENT	PERFORMANCE	DATA TABLES AND APPENDIX
About this Report 3	Our Approach to Sustainable Development 15	Summary Comparison of Agnico Eagle's 2015 performance against our global targets 32	GRI tables 82
2015 Key Highlights 4	Crisis Management and Emergency Preparedness 19	<b>PERFORMANCE 2015</b>	Access to our Appendices, Charters, and Codes of Conduct 124
Forward-Looking Statements 6	Materiality and Stakeholder Engagement 20		Aboriginal Engagement Policy – Canada
Overview 7	Governance and Accountability 21	 <b>HEALTH AND SAFETY</b> 34	Compensation Committee Charter
2015 Sustainable Development Highlights 8	Stakeholder Advisory Committee 23	 <b>ENVIRONMENT</b> 42	Corporate Governance Committee Charter
Agnico Eagle At-a-Glance 9	Standards 26	 <b>OUR EMPLOYEES</b> 54	Audit Committee Charter
Chairman's Message 12	Disclosure of Payments and Conflict-Free Gold Standard 31	 <b>OUR COMMUNITIES</b> 63	Health, Safety, Environment and Sustainable Development Committee Charter
CEO's Message 13		 <b>ECONOMIC VALUE</b> 74	Supplier Code of Conduct
Senior VP Environment, Sustainable Development and People's Message 14			Code of Business Conduct and Ethics



## About this Report

The 2015 Sustainable Development Report marks the seventh year that Agnico Eagle Mines Limited (Agnico Eagle or the “Company”) has produced a detailed account of our economic, health, safety, environmental and social performance. This report covers the period from January 1 to December 31, 2015. It is intended to give our stakeholders a better understanding of how we manage the challenges associated with our health, safety, environmental and social risks.

Our report has been prepared in accordance with the Sustainability Reporting Guidelines (G4) developed by the Global Reporting Initiative (GRI), including mining industry specific indicators incorporated into the Mining and Metals Sector Supplement. It also describes our performance under the Mining Association of Canada’s (MAC) Towards Sustainable Mining (TSM) Initiative. The Canadian Malartic Mine sustainable development performance is reported in a separate report that can be found on the website [canadianmalartic.com](http://canadianmalartic.com).

This report is designed to be **viewed online**. The links provide access to more details and resources.



**On the cover:** In business for almost 60 years, Agnico Eagle has built a strong foundation by engaging with our employees, supporting our communities and developing a reputation as a fair business partner. It is from this foundation that we will continue to grow our business, strengthen our performance, develop our pipeline of quality projects, and invest in our people.

*Pictured on the cover: Agnico Eagle geologist Sophie Lafontaine (right) and student geologist Alexie Racicot-Ruel prospecting near the Amaruq discovery in Nunavut.*

All funds unless otherwise specified are reported in USD.

**We invite your comments and questions about this report. To learn more, please visit our website at [agnicoeagle.com](http://agnicoeagle.com) or send us an email at [SD@agnicoeagle.com](mailto:SD@agnicoeagle.com).**



# 2015 Key Highlights

**In 2015, we significantly improved** Agnico Eagle's health and safety performance, and made modest progress in reducing our overall use of water and diesel fuel. We achieved significant progress in project permitting for our Nunavut sites. We also signed an Inuit Impact Benefit Agreement (IIBA) for the Meliadine gold project – one that challenges us to break down barriers to Inuit participation in the workforce, and helps the Inuit build a solid future for themselves and their families.

A first external audit was conducted of our adherence to the Towards Sustainable Mining (TSM) protocols, and the results were a substantial improvement over the internal audit results of 2014. Additionally, we advanced the implementation of our in-house environment, health, safety, and community relations performance management system. Our focus in 2015 was on developing and implementing critical procedures and mitigation plans for activities identified as having "high" or "very high" risk potential.

IN 2015  
AGNICO EAGLE PAID

**\$323**

**MILLION**  
IN GLOBAL  
EMPLOYEE  
COMPENSATION



**Our Average Greenhouse Gases (GHG) Emission Intensity** (tonnes of CO<sub>2</sub> equivalent per tonne of ore processed) for all our operating mines in 2015 was 0.0200, a modest 2% reduction from 0.0204 in 2014.

**Total GHG Emission Intensity**  
(tonnes of CO<sub>2</sub> equivalent per tonne of ore processed)





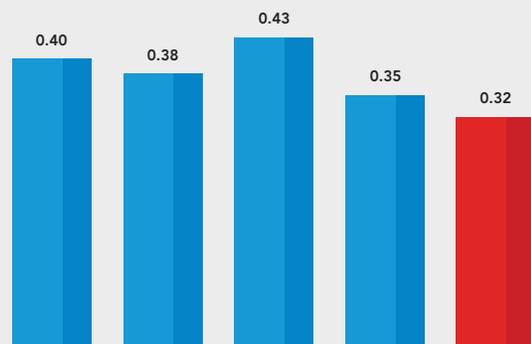
## 2015 Key Highlights (cont'd)



# 0.32

2015 TOTAL

**Fresh Water Use Intensity**  
(m<sup>3</sup> per tonne of ore processed)

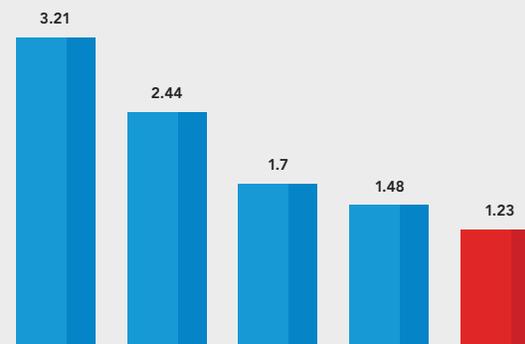


■ 2011–2014  
■ 2015

# 1.23

2015 TOTAL

**Combined Lost-time Accident and Restricted Work Frequency**  
(per 200,000 person hours worked)



■ 2011–2014  
■ 2015

**AGNICO EAGLE NET INCOME**

# \$24.6 MILLION

**5<sup>TH</sup>** STRAIGHT YEAR  
REPORTED RECORD  
ANNUAL GOLD  
PRODUCTION

**IN 2015 AGNICO EAGLE PAID**

# \$283 MILLION

IN TAXES, ROYALTIES  
AND FEES

**IN 2015 AGNICO EAGLE SPENT**

# \$535 MILLION

ON THE PROCUREMENT OF  
LOCAL GOODS AND SERVICES

**57%** PERCENTAGE OF  
LOCAL  
PROCUREMENT  
FROM TOTAL  
PROCUREMENT  
SPENDING



# Forward-looking Statements

The information in this annual sustainability report has been prepared as at March 15, 2016. Certain statements contained in this report constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 and “forward-looking information” under the provisions of Canadian provincial securities laws and are referred to herein as “forward-looking statements”. When used in this report, the words “anticipate”, “could”, “estimate”, “expect”, “forecast”, “planned”, “potential”, “target”, “will” and similar expressions are intended to identify forward-looking statements. Such statements include without limitation: the Company’s forward-looking production guidance, including estimated ore grades, project timelines, drilling results, metal production, life of mine estimates, production, total cash costs per ounce, mine site costs per tonne, all-in sustaining costs per ounce and cash flows; the estimated timing and conclusions of technical reports and other studies; the methods by which ore will be extracted or processed; statements concerning expansion projects, recovery rates, mill throughput, optimization, and projected exploration expenditures, including costs and other estimates upon which such projections are based; estimates of depreciation expense, general and administrative expense and tax rates; the impact of maintenance shutdowns; statements regarding timing and amounts of capital expenditures and other assumptions;

estimates of future mineral reserves, mineral resources, mineral production, optimization efforts and sales; estimates of mine life; estimates of future mining costs, total cash costs per ounce, mine site costs per tonne, all-in sustaining costs per ounce and other expenses; estimates of future capital expenditures and other cash needs, and expectations as to the funding thereof; statements as to the projected development of certain ore deposits, including estimates of exploration, development and production and other capital costs and estimates of the timing of such exploration, development and production or decisions with respect to such exploration, development and production; estimates of mineral reserves and mineral resources, and statements and information regarding anticipated future exploration; the anticipated timing of events with respect to the Company’s mine sites and statements and information regarding the sufficiency of the Company’s cash resources and other statements and information regarding anticipated trends with respect to the Company’s operations, exploration and the funding thereof. Such statements and information reflect the Company’s views as at the date of this report and are subject to certain risks, uncertainties and assumptions, and undue reliance should not be placed on such statements and information. Forward-looking statements are necessarily based upon a number of factors and assumptions that, while considered

reasonable by Agnico Eagle as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The material factors and assumptions used in the preparation of the forward looking statements contained herein, which may prove to be incorrect, include, but are not limited to, the assumptions set forth herein and in management’s discussion and analysis (“MD&A”) and the Company’s Annual Information Form (“AIF”) for the year ended December 31, 2015 filed with Canadian securities regulators and that are included in its Annual Report on Form 40-F for the year ended December 31, 2015 (“Form 40-F”) filed with the SEC as well as: that there are no significant disruptions affecting operations; that production, permitting and expansion at each of Agnico Eagle’s properties proceeds on a basis consistent with current expectations and plans; that the relevant metal prices, exchange rates and prices for key mining and construction supplies will be consistent with Agnico Eagle’s expectations; that Agnico Eagle’s current estimates of mineral reserves, mineral resources, mineral grades and metal recovery are accurate; that there are no material delays in the timing for completion of ongoing growth projects; that the Company’s current plans to optimize production are successful; and that there are no material variations in the current tax and regulatory environment. Many factors, known and unknown, could cause the actual results to be materially

different from those expressed or implied by such forward looking statements and information. Such risks include, but are not limited to: the volatility of prices of gold and other metals; uncertainty of mineral reserves, mineral resources, mineral grades and mineral recovery estimates; uncertainty of future production, project expenditures, capital expenditures, and other costs; currency fluctuations; financing of additional capital requirements; cost of exploration and development programs; mining risks; community protests; risks associated with foreign operations; governmental and environmental regulation; the volatility of the Company’s stock price; and risks associated with the Company’s currency, fuel and by-product metal derivative strategies. For a more detailed discussion of such risks and other factors that may affect the Company’s ability to achieve the expectations set forth in the forward-looking statements contained in this report, see the AIF and MD&A filed on SEDAR at [sedar.com](http://sedar.com) and included in the Form 40-F filed on EDGAR at [sec.gov](http://sec.gov), as well as the Company’s other filings with the Canadian securities regulators and the SEC. Other than as required by law, the Company does not intend, and does not assume any obligation, to update these forward-looking statements and information.

**Scientific and Technical Information:** Please refer to the Company’s AIF dated March 11, 2016 for further details on the Company’s mineral reserves and mineral resources.



# Overview

As Agnico Eagle approaches its 60th anniversary, we want to take stock of what we have built with the support of our employees, communities and business partners. Our strong financial foundation has allowed us to grow our business, while contributing positively to the future of our employees and surrounding communities.



We have built a strong culture of responsible behaviour, achieving high standards of sustainability performance with a long-term goal of distinguishing ourselves as responsible miners.

We have improved the way we identify and manage our risks by taking advantage of the accumulated operating knowledge of our employees and management teams through systematic risk assessment exercises, starting at the project development phase.

This allows us to be better prepared and to mitigate any identified risks. In 2015, in the wake of recent tailings pond incidents in Canada and abroad, we performed a third-party review of all our tailings management facilities.

We also benefit from engaging with our communities so that we remain partners of choice in the mining regions where we have operations, development projects and exploration activities. This will help ensure

that our project pipeline continues to maintain and attract high-calibre employees, provide local businesses with economic opportunities and, ultimately, create value and deliver better returns to our shareholders.

With data collected from our sites since 2009, we are able to track and assess our performance over time. Along with input from Agnico Eagle's key stakeholders, we are developing a comprehensive road map

to advance our sustainable development performance, responsibly grow our gold business, and adapt to the changing needs and expectations of society.

Our strategy and reporting program targets five areas: health and safety of employees and contractors; employee and stakeholder engagement; direct economic value to key stakeholders; governance matters; and environmental issues related to waste and water management, tailings and mine closure.

# 2015 Sustainable Development Highlights

In 2015, we continued to integrate our sustainable development program into all aspects of our business.



## SAFETY

- Our combined lost time and restricted work frequency was 1.23 – a 17% reduction from the previous year's performance and substantially below our target rate of 1.5. This is the sixth year in a row we have posted our lowest ever combined rate. As we drive performance toward zero harm, we achieved 16 weeks during 2015 in which no lost time or restricted work cases were reported at any of our operations.
- The Quebec Mining Association recognized 23 supervisors from the LaRonde, Lapa and Goldex mines for achieving more than 50,000 hours without any compensable accidents on their work teams.
- At the Quebec Provincial Mine Rescue competition, Goldex's Mine Rescue team again won first place.
- For the second year in a row, Agnico Eagle was honoured with a Safety Performance Award at the 2015 Intalex Software User Conference for demonstrating outstanding improvements in health and safety performance.



## ENVIRONMENT

- Our average greenhouse gases (GHG) emission intensity (tonnes of CO<sub>2</sub> equivalent per tonne of ore processed) for all our operating mines in 2015 was 0.0200, a modest 2% reduction from



## EMPLOYEES

- Agnico Eagle Mexico sites (La India, Pinos Altos and Creston Mascota) were again recognized in the "Great Place to Work" rankings for northwest Mexico.
- As we are preparing for closure of the Lapa mine in 2016, all our Abitibi divisions accepted a virtual hiring freeze and increased their use of contractors in order to guarantee employment to all Lapa employees upon mine closure. This was a real team effort, with the other divisions agreeing to wait longer to fill vacant positions and Lapa accepting to release some of their employees to the other sites before the mine's official closure.
- We also recognized our former Silver Division employees from the Town of Cobalt, where our operations closed in 1989. A ceremony was held in June to commemorate their contribution to our success. At the ceremony, Agnico Eagle pledged \$1 million to the Historic Cobalt Legacy Fund. The Legacy Fund, which was established in 2014, will be used to help preserve the Town of Cobalt's historical mining past as well as its cultural heritage.
- Each year we honour an Agnico Eagle employee who best exemplifies the legacy of our founder Paul Penna, who believed in supporting the well-being of employees and the communities in which we operate. The 2015 Paul Penna Award was given to Anival Lopez of the Pinos Altos division. Agnico Eagle donated C\$10,000 to the community initiative or charity of choice on behalf of Anival. We also donated C\$2,500 to the community initiative or charity of choice on behalf of the other award nominees in each of our operating regions.

0.0204 in 2014. This is due to a combination of more efficient energy use and the use of more electrical power.

- Three of our operations – Pinos Altos, Kittila and Meadowbank – were certified under the International Cyanide Management Code.
- Agnico Eagle was awarded the top prize in the category of Sustainable Development at the 26th Annual Gala of Elites hosted by the Central-Abitibi Chamber of Commerce and Industry.

At the same gala, Agnico Eagle was also recognized for innovation in the implementation of a cooling system at our deep LaRonde mine.

- No infraction notices were received in 2015. However, the Meadowbank mine has been under investigation since 2014 by Environment Canada and Aboriginal Affairs and Northern Development Canada for a contaminated seepage event that occurred in 2013. In August 2015 Environment Canada charged the Company with



## COMMUNITIES

- Agnico Eagle Mexico was recognized for the eighth consecutive year by the Chihuahuan business foundation "Fundación del Empresariado Chihuahuense A.C." with an award of distinction for being a "Socially Responsible Company" in 2015.
- We signed an Inuit Impact and Benefit Agreement with the Kivalliq Inuit Association in 2015, for the Meliadine project in Nunavut.

two violations under the *Fisheries Act*. The hearing in relation to these charges is expected in 2016.

- Two category 3 events occurred during the year: 1) Two cows that inadvertently accessed our heap leach pad died after ingesting cyanide on August 13th. Following this incident a plan was put in place to construct additional fencing around the heap leach area; 2) In September, our Kittila mine observed water seepage coming from the toe of the NP3 dam. Uncontrolled discharge of treated water continued over a period of 36 hours. All water from this discharge was collected and pumped back in the holding pond for storage or to be re-used as process water. The water quality of this discharge met all applicable permit requirements and was of appropriate quality to be released to the environment.

HOVER OVER THE LABELS TO LEARN MORE ABOUT OUR OPERATIONS



**Agnico Eagle is a senior Canadian gold mining company** that has produced precious metals since 1957. Our eight mines are located in Canada, Finland and Mexico, with exploration and development activities in each of these regions, as well as in the United States and Sweden.

# Agnico Eagle At-a-Glance

8

**AGNICO EAGLE MINES WORLDWIDE, INCLUDING CANADA, FINLAND AND MEXICO.**

59

**YEARS IN WHICH AGNICO EAGLE HAS BEEN PRODUCING PRECIOUS METALS.**

1.67

**MILLION OUNCES OF GOLD FROM 2015 PAYABLE PRODUCTION.**



6,710\*

**TOTAL NUMBER OF EMPLOYEES AND CONTRACTORS.**



### NORTHERN BUSINESS

OPERATIONS INCLUDE OUR WHOLLY-OWNED LARONDE, GOLDEX, LAPA AND MEADOWBANK MINES AS WELL AS OUR 50% INTEREST IN THE CANADIAN MALARTIC MINE IN CANADA AND OUR KITTILA MINE IN FINLAND.



### SOUTHERN BUSINESS

OPERATIONS ARE FOCUSED IN MEXICO AND INCLUDE OUR WHOLLY-OWNED PINOS ALTOS, CRESTON MASCOTA AND LA INDIA MINES.

NORTH AMERICA

EUROPE

- OPERATING MINES
- ADVANCED EXPLORATION PROJECTS
- CLOSED SITES
- OFFICES

\* Excluding Canadian Malartic



# Agnico Eagle At-a-Glance (cont'd)

## NORTHERN BUSINESS OPERATING MINES

### 1 KITTLILA

Lapland, Finland  
Underground mine, northern Finland

**2015 payable production:**

177,374 ounces of gold

**Employees and contractors:** 653

*Kittila, located in northern Finland, is extracting ore from one of the largest known gold deposits in Europe. Its proven and probable mineral reserves\* contain 4.35 million ounces of gold (28 million tonnes at 4.8 g/t).*

### 2 LAPA

Quebec, Canada  
Underground mine in Abitibi region, Quebec

**2015 payable production:**

90,967 ounces of gold

**Employees and contractors:** 252

*Lapa, a small underground operation near LaRonde, has entered its last year of operation based on the current life-of-mine plan. Proven and probable mineral reserves\* are 78,000 ounces of gold (0.4 million tonnes at 5.49 g/t).*

### 3 LARONDE

Quebec, Canada  
Underground mine in Abitibi region, Quebec (gold, silver, zinc, copper, lead)

**2015 payable production:**

267,921 ounces of gold

**Employees and contractors:** 1,090

*LaRonde has proven and probable mineral reserves\* of 3.1 million ounces of gold (18 million tonnes at 5.3 g/t) 19.73 g/t silver, 0.81% zinc and 0.24% copper.*

### 4 GOLDEX

Quebec, Canada  
Underground mine in Abitibi region, Quebec

**2015 payable production:**

115,426 ounces of gold

**Employees and contractors:** 416

*Goldex has proven and probable mineral reserves\* of almost 0.6 million ounces of gold (1.2 million tonnes at 1.6 g/t).*

### 5 MEADOWBANK

Nunavut, Canada  
Open pit mine in Nunavut Territory, northern Canada

**2015 payable production:**

381,804 ounces of gold

**Employees and contractors:** 1,100

*Meadowbank open pit mine is Agnico Eagle's largest gold producer with 0.94 million ounces of gold in proven and probable mineral reserves\* (10 million tonnes at 2.72 g/t).*

### 6 CANADIAN MALARTIC

Quebec, Canada  
Open pit mine in Abitibi region, Quebec

**2015 payable production:**

285,808 ounces of gold (on a 50% basis)

**Employees and contractors:** 1,111

*Canadian Malartic – in which Agnico Eagle has 50% ownership – is currently Canada's largest operating gold mine. It has 3.8 million ounces of gold in proven and probable mineral reserves\* (11 million tonnes at 1.08 g/t) on a 50% basis.*

## SOUTHERN BUSINESS OPERATING MINES

### 7 PINOS ALTOS

Chihuahua State, Mexico  
Open pit and underground mine with milling and heap leach operation in northern Mexico (gold, silver by-product)

**2015 payable production:**

247,677 ounces of gold

**Employees and contractors:** 1,495

*Pinos Altos – including Creston Mascota – has proven and probable mineral reserves\* containing 1.6 million ounces of gold and 39.1 million ounces of silver (20 million tonnes at 2.5 g/t gold and 61.05 g/t silver).*

### 8 LA INDIA

Sonora State, Mexico  
Open pit mine with heap leach operation in Mulatos Gold Belt

**2015 payable production:**

104,362 ounces of gold

**Employees and contractors:** 488

*La India mine achieved commercial production in February 2014 and has proven and probable mineral reserves\* of 0.86 million ounces of gold and 4 million ounces of silver (30 million tonnes at 0.9 g/t gold and 4.23 g/t silver).*

\* 2015 Mineral Reserves and Mineral Resources – See more at [www.agnicoeagle.com](http://www.agnicoeagle.com)



# Agnico Eagle At-a-Glance (cont'd)

## ADVANCED EXPLORATION PROJECTS

### 9 AKASABA WEST

The Akasaba West gold-copper deposit is less than 30 kilometres east-southeast from Agnico's Goldex mine, near Val-d'Or, northwest Quebec.

The project hosts an estimated initial probable mineral reserve of 141,000 ounces of gold and 24,557 tonnes of copper (4.8 million tonnes grading 0.92 g/t gold and 0.52% copper) plus an indicated gold resource of approximately 54,000 ounces gold and 9,287 tonnes of copper (2.8 million tonnes at 0.60 g/t gold and 0.33% copper) as of December 31, 2015. Permitting and technical studies are underway with the goal of moving the project towards a production decision.

### 10 AMARUQ

Gold project located in the Kivalliq region of Nunavut, northern Canada

As of December 31, 2015, the project has an estimated inferred resource of 3.3M ounces of gold (16.9 Mt at 6.05 g/t) and a large mineral resource. Following receipt of permit approval in late 2015 construction began on a 60 km exploration access road between the Amaruq project and the Meadowbank mine. Conversion and exploration drilling continues as well as technical studies to validate Amaruq as a satellite deposit to the Meadowbank mine.

### 11 EL BARQUEÑO

Early-stage gold/silver project located in Jalisco State, Mexico

As of December 31, 2015 the project has an estimated inferred resource of 19.7 million tonnes grading 0.96 g/t gold, 5.78 g/t silver and 0.19% copper for a total of 0.6 million ounces of gold and 3.7 million ounces of silver. Three deposits and several prospects are being drilled or evaluated for their potential to be developed into a series of open pits utilizing heap leach processing. Conceptual studies and metallurgical testing are also underway.

### 12 MELIADINE

Advanced-stage gold project in Nunavut Territory, northern Canada

**Employees and contractors:** 290

The project has 3.4 million ounces of gold in proven and probable mineral reserves\* (14.5 million tonnes at 7.32 g/t) and a large mineral resource. In 2015, following receipt of the Project Certificate for Meliadine, we expended approximately \$67 million to advance ramp development, permitting, camp operations, and to update a technical study.

## CLOSED SITES

### 13 COBALT-COLEMAN PROPERTIES

Cobalt, Ontario, Canada

Mining activities ceased in 1989; post-closure monitoring and maintenance are carried out. We are in the process of updating and resubmitting the closure plans for our properties by 2017.

### 14 EAGLE & TELBEL

Quebec, Canada

Mining activities ceased in 1993; the closure strategy is being updated.

\* 2015 Mineral Reserves and Mineral Resources – See more at [www.agnicoeagle.com](http://www.agnicoeagle.com)



A MESSAGE FROM

## Our Chairman

JIM NASSO



I am also pleased to report that Agnico Eagle honoured our mining roots by supporting the community of Cobalt, a town that welcomed us at the beginning of our operations almost 60 years ago, by allocating CDN \$1 million to the “Historic Cobalt Legacy Fund”.

JAMES D. NASSO  
CHAIRMAN OF THE BOARD

One of my favorite words is “together”. Nowhere is it more important than in the field of sustainable development. Over the years, Agnico Eagle has built a strong business but we have done so in a responsive, respectful and responsible manner, alongside our employees, our communities and our business partners. In that spirit, the Board of Directors strongly supports Management’s efforts to fulfill the commitments of Agnico Eagle’s Sustainable Development Policy.

In 2015, Agnico Eagle continued to enhance our health and safety performance, our environmental management practices and our social acceptability. Our goal is to build trust with our stakeholders.

The Board supported Management’s efforts to enhance Agnico Eagle’s social acceptability and the positive impact we have in our communities. No better example of this is

our financial commitment to support education through the development of a university in Nunavut. Agnico Eagle has committed CDN \$5 million to help the Nunavut government make this project into a reality.

I am also pleased to report that Agnico Eagle honoured our mining roots by supporting the community of Cobalt, a town that welcomed us at the beginning

of our operations almost 60 years ago, by allocating CDN \$1 million to the “Historic Cobalt Legacy Fund”. The Fund will support preservation of the Cobalt cultural and historical heritage.

Finally, I am encouraged by the progress presented to the Health, Safety, Environment and Sustainable Development Committee of the Board on a quarterly basis. I often emphasize, that this is one of the most important Committees of our Board, as it is supporting both our employees and our communities.

For 2016, Management has developed a set of strategic sustainable development objectives that will continue to build our reputation as a preferred partner. I am particularly pleased to see initiatives related to engagement with Indigenous Peoples, a key group of stakeholders for our continued success. I also welcome initiatives related to the improvement of life-work balance and the maintenance of good mental health for our employees, as they are the foundation for our ongoing success. This is particularly true of our success in improving our safety performance, which is evidenced by the

steady decline in our combined lost-time accident and restricted work frequency over the past six years. Our safety performance is also a testimony to our Management team’s commitment to the values of our founder Paul Penna. For Paul, people and community were important priorities when he built Agnico Eagle. In my role as Chairman, I am pleased and honoured to ensure his commitment to sustainability remains an important part of how we do business at Agnico Eagle.

James D. Nasso  
Chairman of the Board  
March 15, 2016



A MESSAGE FROM

## Our CEO

SEAN BOYD

In July 2015, after three years of dialogue, we signed an Inuit Impact Benefit Agreement with the Kivalliq Inuit Association for the Meliadine gold project.

SEAN BOYD  
VICE-CHAIRMAN AND CHIEF EXECUTIVE OFFICER

While 2015 was a year of turmoil for our industry, Agnico Eagle achieved another year of record production and safety performance. “Building on solid ground”, the theme of this 2015 Sustainable Development Report, echoes Agnico Eagle’s approach to the business of mining: responsible growth at a measured pace.

As we build toward our 60th anniversary, I want to acknowledge the support of our employees who have been instrumental in helping us build a solid foundation for our business. It is through their dedication and collaboration that we have successfully executed our business strategy, while maintaining high standards in health, safety, sustainability and social acceptability.

Together, we are focused on shaping Agnico Eagle’s future by developing a strong pipeline of exploration and development projects. Advancing these projects will allow us to continue to share the long-term benefits of mining with our employees and communities.

Over the coming years, we want our employees to grow with us and reach their full potential. Our business strategy explicitly states our commitment to developing and investing in our people, even as the size and complexity of our business increases.

In 2015, and for the sixth year in a row, we posted our lowest ever combined lost-time accident and restricted work frequency rate – an important measure of our safety-first culture and performance. We also made significant progress toward our goal of a workplace without accidents by achieving 16 weeks with no lost-time or restricted-work accidents at all eight of our mines.

This performance is the result of everyone’s dedication and an improved awareness of workplace risk.

We continued to consult with our communities on Agnico Eagle’s development projects and to welcome them at our Open Houses. We are fully committed to increasing transparency in our business and I want to commend our global community relations team who have moved us further along this path. Their ongoing dialogue and engagement with local community stakeholders have improved our projects immensely and helped them gain social acceptability. In July 2015, after three years of dialogue, we signed an Inuit Impact Benefit Agreement with the Kivalliq Inuit Association for the Meliadine gold project. This landmark agreement paves the way for greater participation of Inuit in the mining workforce and supports the development of Inuit entrepreneurship.

During the year, we performed a third-party review of all our tailings facilities to ensure that we are constructing and managing our tailing ponds using industry best practice.

Finally, as a member of the Mining Association of Canada (MAC), we are part of the Towards Sustainable Mining (TSM) initiative, a tool for performance improvement. In 2015, we went through our first external TSM audit, with a goal of achieving Level A in each TSM protocol. We achieved this goal for 95% of the protocols performance indicators and three of our mines – Kittila, Goldex and LaRonde – achieved Level A or better in all protocols. They each received a TSM Leadership performance award from MAC. We are very proud of this achievement.

I want to thank our employees, once again, for taking on the safety and sustainability performance challenges that face our organization every single day. This is fundamental for a sustainable business.

Sean Boyd  
Vice-Chairman and Chief Executive Officer  
March 15, 2016



A MESSAGE FROM

## Our Senior VP

LOUISE GRONDIN

By year-end, we achieved 16 triple-zero weeks and 2015 was the safest year in our Company's history, with no fatalities and fewer lost-time accidents.

LOUISE GRONDIN  
SENIOR VICE-PRESIDENT, ENVIRONMENT,  
SUSTAINABLE DEVELOPMENT AND PEOPLE

### I WANT TO REFLECT ON THE THEME OF THIS YEAR'S SUSTAINABLE DEVELOPMENT REPORT: BUILDING ON SOLID GROUND.

Agnico Eagle has been in business for almost 60 years, starting from our humble beginnings in Cobalt, Ontario and building throughout the years to become the multi-mine, multi-country company we are today. What is noteworthy is that, simultaneously, we have also built a culture of respect, responsibility and trust, where individual contributions are valued and long-term relationships are developed with employees, communities, governments and business associates. This long-term view, anchored in a strong value-based culture, makes Agnico Eagle more resilient to the cyclical nature of our business: we are better equipped to ride the market down-cycles. At such times when cost reduction is on everyone's mind, our corporate culture keeps health, safety, environment and community (HSEC) issues and concerns at the top of our agenda. This agenda focuses on three elements: **performance, pipeline and people.**

#### PERFORMANCE

Throughout the year, we communicated our commitment to achieving our company-wide goal of a triple-zero accident frequency – that is zero fatalities, zero lost-time accidents and zero light-duty accidents – by celebrating each week that we reached this objective. By year-end, we achieved 16 triple-zero weeks and 2015 was the safest year in our Company's history, with no fatalities and fewer lost-time accidents.

In fact three of our sites – La India, Meadowbank and Meliadine – recorded zero lost-time accidents. While we must remain vigilant, our track record demonstrates that our safety culture is built on solid ground.

We also strengthened our HSEC standards by continuing to build our Responsible Mining Management System (RMMS) and by our leadership and adherence to MAC's TSM protocols.

#### PIPELINE

Given the increasing complexity and cost of developing a mine, we believe it is critical that potential HSEC issues, concerns and risks are taken into account at the outset of any project – from the evaluation and design phases, through to construction. In 2015, we began assessing the social acceptability of projects under evaluation, as part of our existing practice of reviewing environmental and permitting considerations. We believe this approach will also help to better identify risks prior to project acquisition.

#### PEOPLE

We have one of the most skilled, experienced and motivated teams of professionals in the mining industry. By continuing to establish and promote multi-function teams, we are able to leverage their expertise for the benefit of our whole organization. We will expand training and development opportunities to better equip our professionals with the tools and skills necessary for them to succeed in this increasingly complex and exciting industry.

Not only are we proud of Agnico Eagle's legacy over the past 60 years, we are excited about the challenges that lie ahead for all of us over the next 60 years...and counting.

**Louise Grondin**  
Senior Vice-President, Environment,  
Sustainable Development and People  
March 15, 2016



## Our Approach to Sustainable Development

At the core of our Sustainable Development program we are committed to creating value for our shareholders while operating in a safe, and socially and environmentally responsible manner, while contributing to the prosperity of our employees, their families and the communities in which we operate. This has translated into the four fundamental values of our Sustainable Development Policy: operate safely, protect the environment, and treat our employees and communities with respect. These values have helped us build a solid foundation from which we can continue to grow our business.

Sustainable development – health, safety, environment and social acceptability – is integrated into our business strategy and our management principles. For Agnico Eagle, it is a non-negotiable item of good management.



### AT AGNICO EAGLE, WE:

- **respect and value** our employees because our progress is built on their competence, capacity and engagement;
- **empower our employees** to work collaboratively in a culture where safety and respect are paramount;
- **use industry best practices and innovation** to continuously improve our environmental, safety and community relations performance;
- **act in a socially responsible manner** and contribute to the future of the communities in which we operate;
- **work together** with all of our employees and other stakeholders to create growth and prosperity;
- **learn from our past experiences** on the path to continuous performance improvement;
- **design and operate our facilities** to ensure that effective controls and technologies are in place to minimize and mitigate the identified risks;
- **implement emergency response plans** to eliminate or minimize and mitigate the impacts of unforeseen events; and,
- **evaluate, control, eliminate or minimize and mitigate risks** through the implementation of a Responsible Mining Management System.

**In 2015, we continued to integrate sustainable development considerations into our business strategy and in the way we plan and manage our activities.**

We regularly hold conferences to promote the collaboration and exchange of best practices between the health, safety, environment, community relations, and communications personnel across Agnico Eagle sites. In May, for example, we held a three-day global conference of our sustainable development professionals to enhance our collective knowledge of sustainability matters.

We also continued to ensure environmental and social issues are considered as early as possible in the project evaluation process. This move recognizes that for a project to be designed with sustainability in mind, sustainable development elements must be considered from the project's outset.



## RESPECT FOR OUR EMPLOYEES

We aim to maintain a safe and healthy workplace that is based on mutual respect, fairness and integrity. To achieve this, we:

- ensure that no discriminatory conduct is tolerated in the workplace;
- provide a fair and non-discriminatory employee grievance mechanism;
- value diversity and treat all employees and contractors fairly, providing equal opportunity at all levels of the organization without bias;
- employ and promote employees on the basis of merit;
- provide fair and competitive compensation;
- enforce a drug- and alcohol-free workplace;
- maintain the confidentiality of collected personal and private information about employees;
- recognize the right of employees to freedom of association;
- provide appropriate training and development opportunities; and,
- consult, communicate and provide appropriate support to employees during their association with Agnico Eagle.

## OUR CODE OF CONDUCT

Agnico Eagle's Code of Business Conduct and Ethics (the "Code") outlines the standards of ethical behaviour we expect from people working on our behalf around the world. The Code applies to all directors, officers, employees, agents and contractors and commits them to conducting their business in accordance with all applicable laws, rules and regulations and to the highest ethical standards.

In particular, we have zero tolerance for corrupt transactions and strongly adhere to anti-corruption rules and principles as outlined in the Code. The Code also covers our standard of conduct based on respect for personal dignity and the individual worth of every person working for or with Agnico Eagle and stipulates a no-tolerance level of discrimination.

In addition to our internal Code of Business Conduct and Ethics, we have adopted a Supplier Code of Conduct which explicitly demands that suppliers (of goods or services) must not discriminate on the basis of race, colour, religion, nationality, gender, ethnicity, age, marital status, creed, sexual orientation other basis prohibited by law.

Further, Agnico Eagle's Code of Business Conduct and Ethics is part of a key control under the Sarbanes-Oxley Act that defines how the Company conducts business and details the principles and standards of behaviour and conduct expected, and all employees (regardless of level or



geographical location) are required to review and acknowledge their compliance to the Code.

The Audit Committee is responsible for monitoring compliance with the adopted codes. In conjunction with the application of the adopted codes, we have established a toll-free "whistleblower" hotline to allow for anonymous reporting of suspected violations. Our Board of Directors has also adopted an Anti-Corruption and Anti-Bribery Policy. For more information on Agnico Eagle's Code of Business Conduct and Ethics, [click here](#).



Agnico Eagle subscribes to the principle of informed consent when working on private land, including aboriginal land. We seek the consent of the land owner; this consent usually takes the form of a formal agreement acknowledging that Agnico Eagle will conduct work in a certain area and under certain conditions.



CHILD AND FORCED LABOUR

Agnico Eagle does not in any way support or facilitate child labour or forced labour practices.



Agnico Eagle does not in any way support or facilitate child labour or forced labour practices. This applies to mining operations, exploration and other development activities in which we are directly or indirectly engaged. It also applies to all outsourced or subcontracted activities across the entire supply chain. We do our best to ensure that none of our activities result in direct or indirect support of such practices. We will take action to terminate any such arrangement should we become aware that such practices are being supported by one of our outsourced suppliers.

Our Supplier Code of Conduct explicitly demands that suppliers not employ children below the minimum legal age where the work is performed and in any event, that no worker shall be employed who is under the age of 15. It also states explicitly that any form of forced labour is prohibited.

PUBLIC POLICY PARTICIPATION

**Agnico Eagle encourages the development of sound public policy through open dialogue and debate.**

We are a member of the Mining Association of Canada (MAC), the Mexican Chamber of Mines (CAMIMEX), the Association of the Finnish Extractive Resources Industry (Kaivannaisteollisuus ry – FinnMin) and the European Association of Mining Industries, Metal Ores & Industrial Minerals (Euromines) through our Finnish subsidiary Agnico Eagle Finland Oy, as well as the Quebec Mining Association (l'Association minière du Québec – AMQ), the Ontario Mining

Association (OMA), the Prospectors and Developers Association of Canada (PDAC) and the NWT & Nunavut Chamber of Mines. We typically participate in discussions on public policy issues as a member of these industry organizations.

As part of the Finnish Mining Association, we promoted the adoption of the Toward Sustainable Mining Initiative by the association and will support its application in Finland. We believe that it will raise the bar of environmental performance in Finland as it did in Canada.

Agnico Eagle has incorporated respect for human rights into our management and governance practices and programs.

HUMAN RIGHTS

Our Board of Directors has made it clear that we will only do business in regions where human rights laws are respected and promoted. As a Canadian company, we maintain our commitment to the Canadian Charter of Rights and Freedoms while operating internationally, ensuring that all of our employees and communities are treated with respect and dignity.

Our Code of Business Conduct and Ethics demands that concern for the personal dignity and individual worth of every person be an indispensable element in the standard of conduct of employees and directors. Agnico Eagle's Code of Conduct for suppliers, whether they are suppliers of services or goods, demands that suppliers uphold the highest standards of human rights and treat their workers and contractors with dignity and respect.



## Crisis Management and Emergency Preparedness

Due to the remote nature of where we operate, Agnico Eagle has developed an emergency response capacity at all of our operations. Training personnel to respond to all forms of emergencies remains a key element of our health and safety programs. Our mine rescue teams are considered amongst the best in the industry. They regularly participate in industry competitions to further develop their skills and share best practices.

These individuals contribute to safety in the workplace by being prepared to respond in the event of an emergency situation at any of our mine sites.

Each of our mining operations has its own Emergency Response Plan and has personnel trained to respond to safety, fire or environmental emergencies. Each site also maintains appropriate response equipment. In 2015, a number of our sites tested their Crisis Management Plans.

Our Kittila mine, for example, participated in the bi-annual Barents Rescue Exercise. This exercise involves four countries in the Barents Region – Finland, Norway, Sweden and Russia. The exercise, which was hosted by Finland, was aimed at improving preparedness and cooperation between the participating countries. The exercise scenarios involved both a chemical transportation accident and a simultaneous mine accident, the exercise for which was hosted by our Kittila mine.



**Security in Mexico:** Our Pinos Altos mine is located in Chihuahua State and our La India mine is located in Sonora State, both in the Sierra Madre region of northern Mexico. The intensification of drug-related criminal activity in the Northern Mexican States over the last few years, has prompted us to review our security measures with expert consultants on a continuous basis. With the purchase of Cayden Resources in November 2014, we now also own the El Barqueño property in the Guachinango gold district in

Jalisco State and the Morelos Sur property in Guerrero State. Our security reviews now include these areas.

Our primary safety concern is for our employees. We have a responsibility to ensure that our employees can travel safely from their place of residence to the camp and from the camp to the mine. We are also responsible for ensuring that the camp and the mine site are secure. A series of security measures have been implemented to help us meet these responsibilities.

These measures are routinely audited and updated by a third-party expert. Our security workforce is contracted; they are supervised by mine personnel to ensure that efficient security procedures are in place, but with all the respect due to our employees. We cooperate with government officials, including military and police, but our security personnel do not intervene outside the realm of protecting our employees.

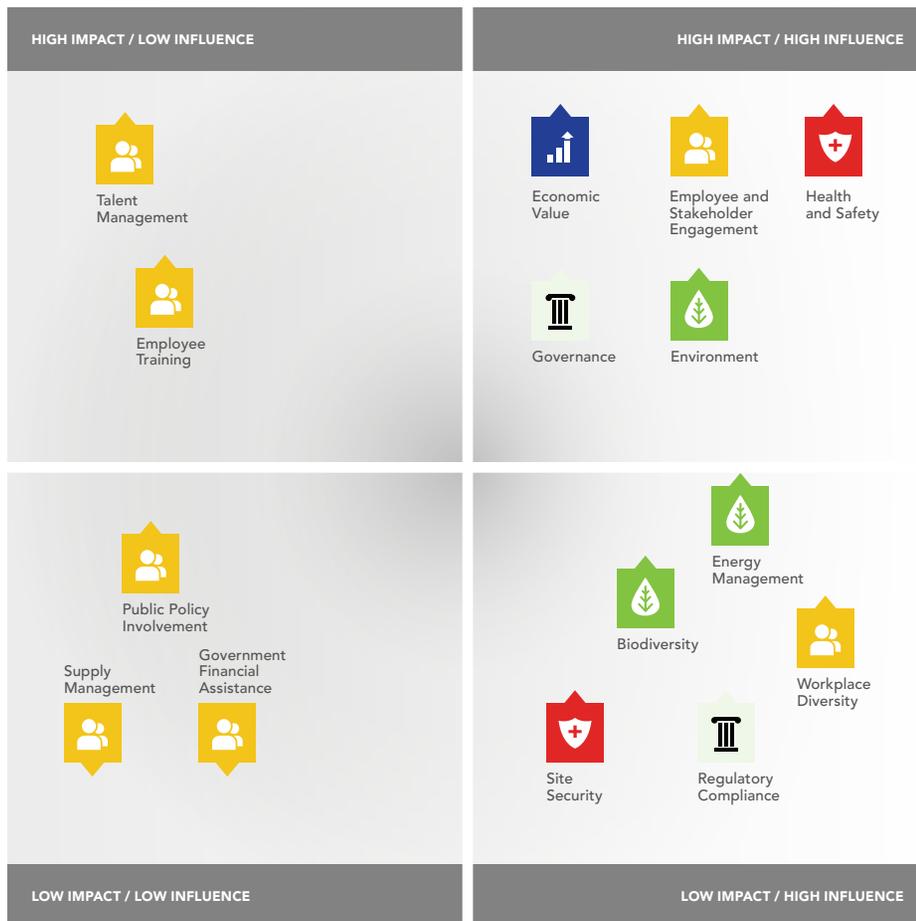
The Company routinely audits its internal security protocols and cooperates fully with

the local police authorities in Mexico who maintain responsibility for public protection and law enforcement in the areas surrounding our operations. A security incident requiring local Ocampo Municipal police intervention occurred at Pinos Altos and Creston Mascota in September 2015. Mine employees and mine production were not affected by this incident which remains subject to investigation by Chihuahua police.



# Materiality and Stakeholder Engagement

## Potential Impact on Business and Importance to Multiple Stakeholders



### Responsible for Our Future

Our core values provide a strong foundation on which to achieve our long-term goals to responsibly grow our gold business, continuously improve our sustainable development performance and deliver on our commitments to Agnico Eagle's shareholders and stakeholders. In all aspects of our business we aim to: operate safely, protect the environment and treat our employees and communities with respect.

Our business strategy is centred around three pillars:

- delivering on growth expectations, while maintaining high performance standards;
- building and maintaining a high quality project pipeline; and
- employing the best people and motivating them to reach their potential.

As a global mining company, we have a unique responsibility to ensure we are addressing the evolving needs and priorities of our business and key stakeholders – including shareholders, employees, contractors, business partners, communities, governments and others. In 2015, we

took a number of steps to ensure our reporting program focuses on our most material issues. A material issue is defined as an issue:

- that has significant current or potential impact on the Company over the next three to five years;
- that is of significant concern to our key stakeholders; and,
- over which we have a reasonable amount of control.

Based on the feedback we have received from external experts, including our Stakeholder Advisory Committee (SAC) and other key stakeholders, our report now focuses mainly on issues with the highest impact on our business from both a Company and stakeholder perspective. It also addresses the need to provide a more focused and balanced view of our material business issues. As our business and the challenges we face continue to evolve, we look forward to working with our stakeholders and industry experts on ways to further improve our sustainable development performance and reporting programs.



## Governance and Accountability

**Our governance practices guide our behaviour and performance, helping to ensure we act in an ethically responsible manner and uphold our core values.**

Agnico Eagle has a Code of Business Conduct and Ethics that provides a framework for directors, officers and employees on the conduct and ethical decision-making that is integral to their work. We have also adopted a Code of Business Ethics for consultants and contractors and a Supplier Code of Conduct. The Audit Committee of the Board of Directors is responsible for monitoring compliance with these Codes. We have also established a toll-free “whistleblower” ethics hotline for anonymous reporting of any suspected violations of the Code of Business Conduct and Ethics, including, but not limited to, concerns regarding accounting, internal accounting controls or other auditing matters, Code of Conduct violations, ethical conflicts, environmental issues and health and safety issues. Each quarter, a report is submitted to the Audit Committee outlining the number of complaints received since the previous report.

We have also adopted an Anti-Corruption and Anti-Bribery Policy. Additionally, our activities are audited against the Conflict-Free Gold Standard of the WGC.

Our Sustainable Development Policy was updated in 2013 to integrate our commitments to our employees and communities, as well as to our health, safety and environmental performance.

In April 2015, we adopted an Aboriginal Engagement Policy applicable in Canada. It commits Agnico Eagle to engaging in respectful dialogue with aboriginal groups to establish mutually beneficial relationships.

**Management accountability:** Our sustainable development program and values are integrated at the operational, executive and Board levels. Corporate oversight and implementation of the program are the direct responsibility of one executive officer – the Senior Vice-President of Environment, Sustainable Development and People who is assisted by the Vice-President Environment for environmental oversight and by the Vice-President of Health and Safety and Community Relations for health, safety and community engagement oversight.

Processes are in place to ensure that sustainable development matters are integrated into the day-to-day management of our business at the operational level. Our operations identify, prioritize, monitor, manage and mitigate sustainability risks on a daily basis. Issues are discussed during bi-weekly operational conference calls where all mine managers review the safety and environmental highlights, as well as their main community engagement and human resources activities. Problems and solutions are shared amongst operations, contributing to the continuous improvement of our performance.





Sustainability matters are also included in the monthly operational report provided to management. These reports include key performance indicators for health and safety and for water and energy use, and greenhouse gas emissions. During the Quarterly Business Review meetings, which involve the operations managers and executive team, these issues are typically presented and discussed.

Risk assessments with identification of mitigation measures are also covered. Finally, sustainable development matters are presented to the Health, Safety, Environment and Sustainable Development (HSESD) Committee of the Board of Directors at each Board meeting.

**Management Diversity:** Our Board consists of 12 directors, of which all but one director are independent. The Board of Directors recognizes that diversity is important to ensuring that the Board as a whole possesses the qualities, attributes, experience and skills to effectively oversee the strategic direction and management of Agnico Eagle. It recognizes and embraces the benefits of having a diverse Board of Directors, and has identified diversity within the Board as an essential element in attracting high calibre directors and maintaining a high-functioning Board. It considers diversity to include different genders, ages, cultural backgrounds, races/ethnicities, geographic areas and other characteristics of its

stakeholders and the communities in which Agnico Eagle is present and conducts its business.

The Board of Directors does not set any fixed percentages for any specific selection criteria as it believes all factors should be considered when assessing and determining the merits of an individual director and the composition of a high-functioning Board. The proportion of women is currently 27% of the non-executive directors and the proportion of non-resident Canadians is currently 27% of the non-executive directors.

For more information on our corporate governance, business practices and policies, [click here](#).



The Board is ultimately responsible for overseeing the management of the business and affairs of Agnico Eagle and, in doing so, is required to act in the Company's best interests. It fulfills its responsibilities either directly or through four committees:

- Corporate Governance Committee
- Audit Committee
- Compensation Committee
- Health, Safety, Environment and Sustainable Development (HSESD) Committee

All Board committees are composed entirely of outside directors who are unrelated to and independent from Agnico Eagle.

In 2015, each corporate function and business unit was required to explicitly relate and further align its annual objectives with Agnico Eagle's business strategy. This was captured in a business strategy document that was used throughout the year to guide our activities. Sustainable development objectives were fully integrated into the document and were explicitly aligned with Agnico Eagle's strategic initiatives.



# Stakeholder Advisory Committee

## Getting Feedback

We have established a Stakeholder Advisory Committee (SAC)\* to provide us with feedback on our corporate social responsibility efforts and to complement, and help us make strategic links to, our existing local stakeholder engagement activities. This approach also supports our global efforts to engage with our stakeholders on a regular basis and in a meaningful way.

The SAC provides us with constructive feedback from a diverse group of priority stakeholders. It provides advice on building a focused sustainability strategy and a business case for our investments in sustainability. The SAC also reviews our sustainability initiatives – including our environmental and social policies, programs, operational performance, communications and engagement.

## The members of Agnico Eagle's SAC are:

### ENVIRONMENT

#### Gary Ash

Senior Fisheries Biologist/Principal  
Golder Associates  
Edmonton, AB

### COMMUNITY DEVELOPMENT

#### Meg French

Director, International Policy and Programs  
UNICEF Canada  
Toronto, ON

### INUIT AND ARCTIC ENVIRONMENT

#### Mary Simon

Mary Simon Consultants Inc.  
Former President, Inuit Tapiriit Kanatami  
Ottawa, ON

### SUSTAINABILITY AND MINING

#### Bill Napier

Consultant, Former Mining Executive  
Toronto, ON

### ENVIRONMENTAL, SOCIAL AND GOVERNANCE

#### Isabelle Laprise

Analyst, Raw Materials, Equity Markets  
Caisse de dépôt et placement du Québec  
Montreal, QC

#### Sandra Odendahl

Director, Corporate Sustainability  
Royal Bank of Canada  
Toronto, ON

#### Kate Marshall

Senior Analyst, Research Products  
Sustainalytics  
Toronto, ON

### SOUTHERN DEVELOPMENT, INTERNATIONAL BUSINESS IN LATIN AMERICA

#### Paul Durand

Former Diplomat in Latin America  
Ottawa, ON

\* Please note that members provide their input and expertise as individuals rather than as representatives of their organizations.



# Stakeholder Advisory Committee (cont'd)

In response to ongoing feedback from the Committee, we have been working on key priorities:

## PROGRESS AGAINST PRIOR YEAR'S RECOMMENDATIONS

RECOMMENDATION	STATUS	ACTION
Ensure HSEC policies are applied locally, while identifying examples where incidents have occurred	In progress	Our Sustainable Development Policy integrates Health, Safety, Environment and Community commitments, making its application easier and more consistent. Implementation of the RMMS complements and supports our Sustainable Development Policy.
Shift to aspirational (Zero Harm) safety targets, and develop "leading" performance indicators	In progress	The long-term goal is to reduce the occurrence of accidents to none. Zero Harm safety targets are now widely stated in all health and safety communications.
Shift to positive indicators for Health and Safety	In progress	Leading performance indicators have been selected and are being followed at each division. Targets have been established to improve performance for these indicators. Development of leading indicators continues.

## 2015 RECOMMENDATIONS

RECOMMENDATION	STATUS	ACTION
Enhance Agnico Eagle's approach to assessing Human Rights-related risks	Under review	Review the United Nations Voluntary Principles on Security and Human Rights and their potential applications to our business.
Identify and evaluate social aspects on mine closure	In progress	Include social aspects in the critical procedures for mine closure.
Ensure that our presentations to the public are jargon-free and can be understood by as wide a range of community members as possible, and that they cover the technical issues across the whole life cycle of the mining project.	In progress	Each region, with the support of communication and community relations personnel, is developing a process to review and adapt presentations so that information can be understood by non-experts in the field.
Establish Community Liaison Groups to provide information to the community on challenging and technical issues	In progress	A guide to establishing Community Liaison Committees has been prepared and a critical procedures guide is under development. Community Liaison Committees were created at Meadowbank, Kittila and LaRonde.
Enhance Aboriginal Engagement Policy by including references to international instruments and best practices	In progress	A global Indigenous People Engagement Policy will be developed (currently the policy only applies to Canada).
Include peer and industry comparisons for Agnico Eagle's performance in the SD report	In progress	Prepare a set of benchmarks that could be used as a comparison in future SD reports.



## Stakeholder Advisory Committee (cont'd)

In 2016, we will continue to advance the initiatives outlined above and develop and implement action plans to address the following recommendations made by the SAC:

### Strategic community investment:

The SAC identified the need to develop a more strategic approach to community investment that: addresses community needs; aligns itself with Agnico Eagle's business strategy; develops clear objectives that are targeted and material to our stakeholders; is more sustainable over the long term; takes a consistent, balanced and collaborative approach; and regularly measures the impact of our investments. We have made significant progress in this area, especially at our Mexican operations where, together with the communities, we perform a root-cause analysis of the issues we want to help them resolve.

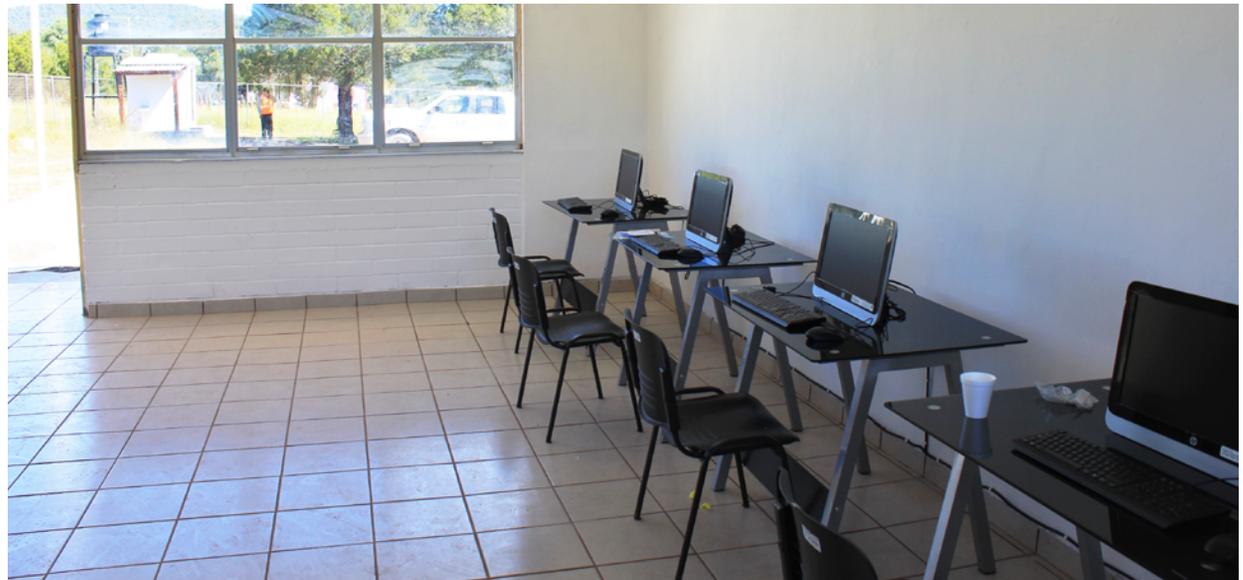
### Focus on outcomes rather than inputs:

As an approach to quantifying the business value of certain investments, the SAC has encouraged Agnico Eagle to build from our existing Key Performance Indicators to begin tracking and reporting on outcome-related measures of community investment: for example, to assess and report on the effectiveness of training and its impact on performance; or to track and report on the number of graduates rather than (or in addition to) the money invested in education. We must still identify appropriate Key Performance Indicators that would provide a true measure of our efforts and help us be more effective in this area.

### Communicating and engaging with communities:

The SAC has provided insight and guidance into how we can better communicate and engage with communities and stakeholders on challenging, technical issues. This includes: communicating regularly across the life cycle of the mine; using simple language to communicate to a wider audience; considering specifically what stakeholders want to know and target information for various audiences; establishing community monitoring groups; and, finding creative ways to share information.

Our goal, which reflects the SAC's valuable guidance, is to ensure we develop a focused and strategic sustainability program – one that is fully integrated into our overall business plan and provides clear outcomes and rewards for both Agnico Eagle and the communities in which we operate.





# Standards

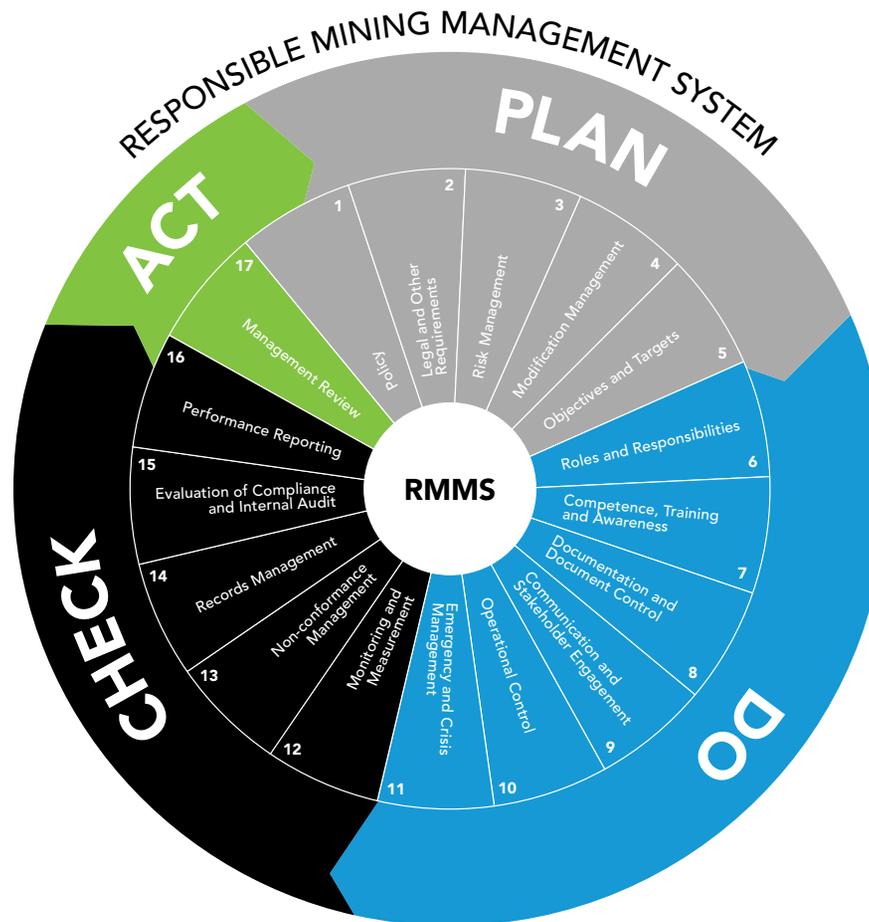
As part of Agnico Eagle’s overall commitment to continuous improvement, we have steadily increased our presence on national, international and industry-specific boards and organizations. These organizations help us improve and measure our performance by providing research and guidance on the latest industry standards and global best practices.

As a participant in industry initiatives to improve transparency and overall performance, we have designed our Responsible Mining Management System (our in-house health, safety, environment and social acceptability management system) to ensure that the following compliance requirements and industry standards are met:

- Carbon Disclosure Project (CDP)
- Global Reporting Initiative (GRI)
- International Cyanide Management Code
- Towards Sustainable Mining (TSM) Initiative
- Disclosure of payments to governments
- Conflict-Free Gold Standard

## Responsible Mining Management System (RMMS)

The RMMS is the foundation upon which we are building our capacity to manage the commitments made in our Sustainable Development Policy. Our goal is to further promote a culture of excellence that encourages our employees to continuously improve their skills and performance and to not only meet, but exceed, regulatory requirements for health, safety and the environment.



PLAN	
Element 1:	Policy
Element 2:	Legal and Other Requirements
Element 3:	Risk Management
Element 4:	Modification Management
Element 5:	Objectives and Targets

DO	
Element 6:	Roles and Responsibilities
Element 7:	Competence, Training and Awareness
Element 8:	Documentation and Document Control
Element 9:	Communication and Stakeholder Engagement
Element 10:	Operational Control
Element 11:	Emergency and Crisis Management

CHECK	
Element 12:	Monitoring and Measurement
Element 13:	Non-conformance Management
Element 14:	Records Management
Element 15:	Evaluation of Compliance and Internal Audit
Element 16:	Performance Reporting

ACT	
Element 17:	Management Review



## Standards (cont'd)

In 2015, we continued to enhance the RMMS standards and brought more focus to managing risk. The following system procedures were developed:

### PROGRESS ON DEVELOPMENT OF RMMS PROCEDURES

	ELEMENT	PROCEDURE
COMPLETED	1	Policy
	3	Risk Management
	5	Objectives and Targets
	6	Roles and Responsibilities
	8	Documentation and Document Control
	14	Records Management
	16	Performance Reporting
IN PROGRESS	7	Competence, Training and Awareness
	9	Communication and Stakeholder Engagement
	10	Operational Control
	13	Non-conformance Management
	15	Evaluation of Compliance and Internal Audit
PLANNED	2	Legal and Other Requirements
	4	Modification Management
	11	Emergency and Crisis Management
	12	Monitoring and Measurement

We formalized existing critical procedures and developed new ones to improve the management of our higher risk activities in environment, health, safety, and community relations. The following critical procedures were integrated into the RMMS:

HEALTH AND SAFETY CRITICAL PROCEDURES	ENVIRONMENT CRITICAL PROCEDURES
Working at height	Dike/tailing pond management
Working in a confined space	Waste rock management
Lockout	Medium long term geotechnical performance of crown pillar and open pit wall
Hot work	Cyanide management
Mobile equipment	Waste and hazardous waste management
Lifting and rigging	Waste management and water balance
Industrial hygiene	Site closure management
Hazardous materials	Acid rock drainage and leaching characterization
Mine rescue	
Explosives management	COMMUNITY CRITICAL PROCEDURES
Ground control	Stakeholder mapping
Contractor management	Community liaison committee procedures
Housekeeping	Community response mechanism
	Communication and stakeholder engagement



## Standards (cont'd)

In addition, action plans were developed to mitigate the risks identified in the 2014 risk assessment, beginning with the categories of “very high” and “high” risk as determined with the help of the following matrix:

RATING		PROBABILITY				
CONSEQUENCE		RARE OR IMPROBABLE 1	UNLIKELY OR REMOTE 2	POSSIBLE OR OCCASIONAL 3	LIKELY OR PROBABLY 4	ALMOST CERTAIN/EXPECTED 5
Critical	5	Medium	Medium	High	Very High	Very High
Major	4	Low	Medium	High	High	Very High
Moderate	3	Low	Medium	Medium	High	High
Minor	2	Very Low	Low	Medium	Medium	Medium
Negligible	1	Very Low	Very Low	Low	Low	Medium



## Standards (cont'd)

We continued to integrate sustainability into all aspects and stages of Agnico Eagle's business – from our corporate objectives and executive responsibility for “maintaining high standards in sustainability” to our exploration and acquisition activities, day-to-day operations, and ongoing site closure plans. This integration will allow employees to take greater ownership of implementing responsible mining practices.

### Carbon Disclosure Project

The Carbon Disclosure Project (CDP) is an independent, not-for-profit organization working to drive greenhouse gases (GHG) emission reductions by business and cities. The CDP does this by encouraging organizations to annually measure, disclose, manage and share environmental information – particularly their GHG emissions and climate change risk factors.

The CDP's goal is to encourage a rational response to climate change by facilitating a dialogue between stakeholders and businesses supported by harmonized, quality data. Agnico Eagle made its first submission to the CDP for the year 2007 and we will continue to report on an annual basis. For more information on the Carbon Disclosure Project, visit [cdp.net](http://cdp.net).

### Global Reporting Initiative

The Global Reporting Initiative (GRI) sets out specific criteria and indicators that organizations can use to measure and report on their economic, environmental and social performance. We measure our performance using the G4 Sustainability Reporting Guidelines, including mining industry specific indicators incorporated in the GRI's Mining and Metals Sector Supplement (MMSS). Agnico Eagle self-declares that we are reporting at a Level A based on the GRI G4 and MMSS guidelines. For more information, visit [globalreporting.org](http://globalreporting.org).

### International Cyanide Management Code

The Cyanide Code is a voluntary industry program for companies that use cyanide to recover gold. It focuses on the responsible and safe management of cyanide and cyanide solutions used in gold mining – as well as on the protection of human health and the reduction of environmental impacts – through every stage of the mining process. Agnico Eagle signed the Cyanide Code in 2011, and three of the four nominated operations went through an official external audit in 2014. In 2015, certifications were received for the three verified operations of Kittila, Meadowbank and Pinos Altos; while a pre-audit of the Mascota heap leach operation was conducted. We will implement the pre-audit recommendations for Mascota but will not seek formal certification under the Cyanide Management Code. Rather, Mascota will continue to improve cyanide management under the Mexican certification of Industria Limpia. For more information on the Cyanide Code, visit [cyanidecode.org](http://cyanidecode.org)

The RMMS is consistent with the ISO 14001 Environmental Management System and the OHSAS 18001 Health and Safety Management System, while integrating other industry standards such as the Cyanide Management Code and the Mining Association of Canada's TSM Initiative. We are not planning to seek certification under the ISO or OSHA standards at this time.



## Standards (cont'd)



### Towards Sustainable Mining

In December 2010, Agnico Eagle became a member of the MAC and fully endorsed its TSM Initiative. TSM helps the mining industry sustain its position as a leading economic contributor, while protecting the environment and remaining responsive to Canadians. It helps the industry maintain its social license to operate by providing a framework for companies to become proactive and socially responsible operators.

TSM was developed to help mining companies evaluate the quality, comprehensiveness and robustness of their management systems under six performance elements: crisis management, energy and GHG emissions management, tailings management, biodiversity conservation management, health and safety, and aboriginal relations and community outreach. These TSM indicators have been incorporated into the framework of our RMMS.

In 2015, an external verification was conducted at our Kittila, LaRonde, Goldex, Lapa, Meadowbank and Pinos Altos mines. Out of the 132 indicators verified, we obtained A Level or better in 124 of them. Our Kittila, LaRonde and Goldex mines obtained A Level or better in all protocols and each received a TSM Leadership Award from MAC.

In 2015, we were pleased to help facilitate the adoption of the TSM Initiative by FinnMin, the Finnish Mining Association. This is the first time TSM has been adopted by a mining association outside of Canada.

The Quebec Mining Association has also decided to adopt TSM going forward. We believe the broad adoption of this important Initiative will improve the global mining industry's overall performance and enable the industry to meet the evolving expectations of stakeholders. More detailed information can be found at [mining.ca](http://mining.ca).

### Tailings Management Standard

Tailings management is one of the highest risk areas of any mining operation. We have adopted a tailings management standard to ensure a framework is in place to fulfill our commitments to responsible tailings management. This standard includes the provision for an annual review of tailings performance at the executive level.

[Click here to read Agnico Eagle's Tailings Management Standard.](#)



# Disclosure of Payments and Conflict-Free Gold Standard

Agnico Eagle is committed to the principles of transparency and to increasing our level of disclosure on the payment of all taxes and royalties to governments. For 2015, we have reported all payments in accordance with the “Publish What You Pay” initiative, and are implementing new reporting requirements of the [Canadian Extractive Sector Transparency Measures Act](#) that was enacted on December 16, 2014, and brought into force on June 1, 2015.

Agnico Eagle understands that operating responsibly and maintaining the trust of our stakeholders requires us to demonstrate that the gold we produce has been extracted in a manner that does not fuel unlawful armed conflict or contribute to serious human rights abuses or breaches of international law. As such, we have adopted and implemented the World Gold Council’s (WGC) Conflict-Free Gold Standard.



Members of the WGC are expected to conform to the requirements of the Conflict-Free Gold Standard that were finalized in October 2012 (the “CFGs”). Conformance with the CFGS demonstrates that gold has been extracted in a manner that does not cause, support or benefit unlawful armed conflict or contribute to serious human rights abuses or breaches of international humanitarian law. Agnico Eagle implemented the CFGS, beginning with the 2013 calendar year. This is our third year of adherence and reporting under the CFGS.

Under the CFGS, companies are required to issue a Certification Report which outlines their adherence. The Report is updated annually and is issued within 120 days of the year-end, or as required by the CFGS. Our 2015 Certification Report covers all gold or gold-bearing materials dispatched by Agnico Eagle for the calendar year ended December 31, 2015. [Click here](#) to view the Agnico Eagle Mines Limited World Gold Council – Conflict-Free Gold Standard Certification Report, which summarizes our conformance to the requirements of the Standard.

The CFGS also requires that the Certification Report be verified by an independent assurance provider. The objective of the

verification is to express an opinion as to whether Agnico Eagle has successfully implemented the requirements of the WGC’s Conflict-Free Gold Standard, and that the Company’s Conflict-Free Gold Report for the reporting year ended December 31, 2015 has been prepared, in all material respects, in accordance with the CFGS. Agnico Eagle retained Ernst & Young, an independent assurance provider, to assess its conformance with the CFGS.

Ernst & Young has conducted its assessment under the CFGS for the period from January 1 to December 31, 2015. It confirmed that the mines identified under Section A – the Pinos Altos, Creston Mascota and La India operations in Mexico – are in conformance with the CFGS. Ernst & Young’s statement is available [here](#).

Both the Certification Report, which describes Agnico Eagle’s conformance to the requirements of the CFGS, and the Limited Assurance Report, which provides the independent assurance on adherence to the CFGS, are posted on [agnicoeagle.com](#) under the Sustainability section.



## 2015 Performance

In 2015, we continued to improve our sustainable development performance in key environmental, economic, human resource and community engagement areas.

The table below includes a comparison of Agnico Eagle's 2015 performance against our 2015 global targets, and presents our targets for 2016. While each of our operations set their own local objectives and targets, only global health and safety targets are listed in this table. In 2015, we explicitly added environmental and social acceptability components to the local performance

objectives. This approach is seen as an important driver of improved performance.

In 2015, we performed our first external audit of the application of the Towards Sustainable Mining (TSM) protocols at six of our mines; four in Canada, one in Finland and one in Mexico. Three of our mines – Kittila, LaRonde and Goldex – achieved Level A or better in all protocols. Overall,

we achieved Level A or better on 124 of the 132 indicators verified. Implementation of the six TSM protocols – health and safety, aboriginal and community outreach, tailings management, energy and greenhouse gases management, crisis management and biodiversity conservation – has helped raise awareness of the standards we expect our operations to achieve in terms of sustainable development performance management. We also continued to implement our Responsible Mining Management System (RMMS), which integrates the management of health, safety, environment and community relations. An internal audit of the RMMS will be performed at the end of 2016.

In the wake of a 2014 tailings containment failure at another company's mine site in Canada, we undertook a third-party external review in 2015 of all our tailings containment facilities, with a view to reducing risk and improving performance.

**With seven years of comparable data from each of our facilities, we are better able to track and report on current and trending performance as measured against our past performance and objectives, as well as the performance of our industry peers.**

		2012 Performance	2013 Performance	2014 Performance	2015 Target	2015 Performance	2016 Target*
 <b>Health and Safety</b>	Combined lost time and restricted work frequency	2.44	1.70	1.48	1.50	1.23	1.4
	Fresh Water Use Intensity (m <sup>3</sup> /tonne of ore milled)	0.38	0.43	0.35**	0.35	0.32	0.33*
	Environmental Incidents	No category 3, 4 or 5 incidents	One category 3 incident	One category 3 incident	100% of spills reported No category 3, 4 or 5 incidents	Two category 3 incidents***	Report 100% of spills and no category 3, 4 or 5 incidents
	GHG Emission Intensity (CO <sub>2</sub> /tonne of ore processed)	0.029	0.029	0.0204	0.0245	0.0200	0.0202*
 <b>Environment</b>						3 mines achieved Level A in all protocols during the external audit of Q1 2015	To achieve a Level A in each protocol
 <b>Social Responsibility</b>	Towards Sustainable Mining	Integrated into RMMS planning	Integrated into RMMS planning	TSM scores can be found in the 2014 SD report	To achieve a Level A in each protocol		

\* We obtain our targets by averaging the best two of the last three years' performance.

\*\* There was an oversight in the 2014 data; the figure reported in 2014 was 0.32, which did not include the rainwater collected in the ponds at Pinos Altos: the corrected figure is therefore higher at 0.35. This was corrected in the 2015 data.

\*\*\* Two category 3 events occurred during the year: 1) Two cows that inadvertently accessed our heap leach pad died after ingesting cyanide on August 13th. Following this incident a plan was put in place to construct additional fencing around the heap leach area; 2) In September, our Kittila mine observed water seepage coming from the toe of the NP3 dam. Uncontrolled discharge of treated water continued over a period of 36 hours. All water from this discharge was collected and pumped back in the holding pond for storage or to be re-used as process water. The water quality of this discharge met all applicable permit requirements and was of appropriate quality to be released to the environment.



## Objectives

Our 2015 Sustainable Development Report covers activities at our seven wholly-owned mining operations located in: Canada (LaRonde, Lapa, Goldex and Meadowbank), northern Finland (Kittila), and northern Mexico (Pinos Altos/Creston Mascota and La India).

Our Sustainable Development Report presents information on the economic, health, safety, environmental and social performance of Agnico Eagle for 2015. Our goal is to provide our stakeholders with a better understanding of our performance in terms of operational safety, and environmental and social challenges. We also describe our efforts to evolve and improve our corporate responsibility and risk management systems and performance. The sustainable development performance of the Canadian Malartic mine is reported in a separate report (50% ownership).

We have included a discussion on the current status of the closed mine sites over which Agnico Eagle has responsibility. These sites include the Eagle and Telbel mine sites in northwestern Quebec and several closed silver mine sites in Cobalt and Coleman Township, Ontario (some historical sites and some formerly operated

by Agnico Mines Limited). Our report includes only those operations where Agnico Eagle has managing control.

In compiling this report, we have measured our performance using indicators developed by:

- the MAC under its TSM Initiative;
- the Sustainability Reporting Guidelines (G4) developed by the Global Reporting Initiative (GRI) including mining industry-specific indicators; and,
- Agnico Eagle-specific indicators.

With seven years of comparable data from each of our facilities, we are better able to track and report on current and trending performance as measured against our past performance and objectives, as well as the performance of our industry peers. This enables our stakeholders to monitor our annual progress and to benchmark our performance against current norms, performance standards, codes, laws and voluntary initiatives.

We believe the indicators we report against reflect Agnico Eagle's most significant social, socio-economic and environmental risks and challenges, which will help our stakeholders fully understand and assess our sustainable development performance.

**Reporting assurance:** We are now reporting in accordance with the GRI's G4 sustainability reporting guidelines to a self-declared A Level. The GRI's Technical Protocols, Indicator Protocols, and Mining and Metals Sector Supplement were used to further guide the development of our report.

Our 2015 Sustainable Development Report has not been verified by an independent third party.





## HEALTH AND SAFETY

We believe that all lost time due to incidents and accidents is preventable. We aim to operate a safe and healthy workplace that is free from injury and fatality (zero harm). We believe that if we work together, we can achieve zero accidents in the workplace and enhance the well-being of our employees, contractors and communities.

### IN THIS SECTION

#### 2015 PERFORMANCE

#### 2016 PRIORITIES

Emergency Response and Mine Rescue

#### BUILDING EMPLOYEE READINESS

Goldex Mine Rescue Championship  
Improving Underground Pedestrian Safety

#### BUILDING COMMUNITY READINESS

Emergency Training with the Communities

#### BUILDING WELLNESS STARTS AT WORK

Goldex Mine Wellness Committee

#### ACTING RESPONSIBLY

Prediction is Key

#### AVIATION SAFETY AND RISK MANAGEMENT

A Company-wide Risk Assessment

#### AWARDS + CERTIFICATIONS





To achieve a safe and healthy workplace, we:

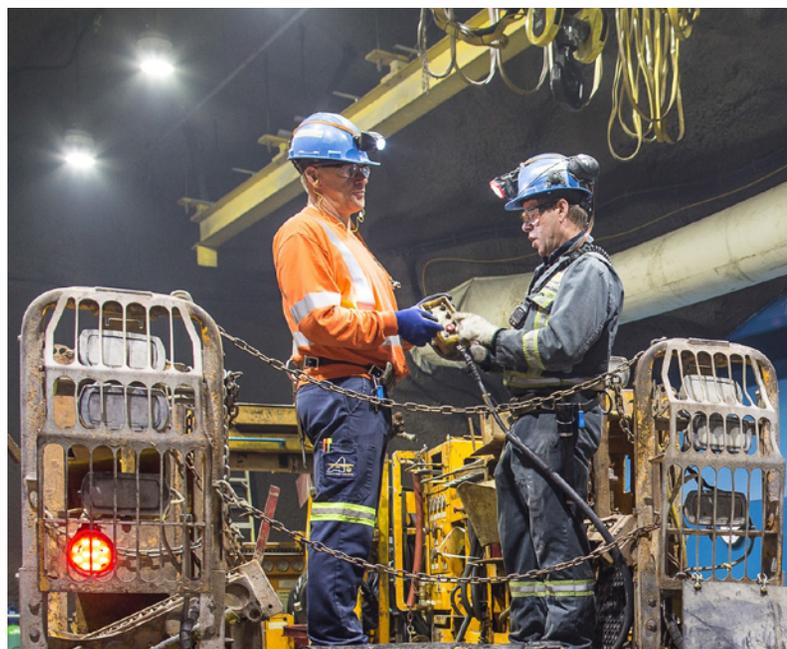
- use sound engineering principles in the design and operation of our facilities;
- provide appropriate training for all employees and contractors, at all stages of exploration, development, construction and operations;
- minimize the generation of hazardous conditions and ensure controls are in place;
- maintain occupational health and industrial hygiene programs;
- provide appropriate tools to carry out the work safely and efficiently; and,
- maintain a high degree of emergency preparedness to effectively respond to emergencies.



## 2015 Performance

In 2015, no fatal accidents occurred and our combined lost-time accident and restricted work frequency rate was 1.23 – a 17% reduction from the previous year’s performance and substantially below our target rate of 1.5.

This is the sixth year in a row we have posted our lowest ever combined lost time and restricted work frequency rate. The 2015 figure reflects a total of 92 accidents, which resulted in either lost-time (33 accidents where the employees could not return to work immediately) or restricted work assignments (59 accidents where the employees continued to work but not in their regular job). In 2015, as we continue toward our goal of zero harm, we achieved 16 weeks in which no lost-time accident or restricted work cases were reported at any of our operations, as compared to 7 weeks in 2014.



During the year, we provided extensive health and safety training to our employees and all supervisory levels. We use the “Supervision formula” and its main tool – the work card – which engages everyone in active safety leadership with the help of their supervisors and colleagues. This approach encourages employees to look after their own safety and that of the people around them. It also encourages safety planning discussions and follow-ups.

As part of the RMMS, we created *Critical Safety Procedures*, to manage activities with a known higher level of risk, which included vehicle safety, confined spaces and working at height. These procedures are the minimum standard that each Agnico Eagle site must comply with, above and beyond any local regulations. Each site also created an action plan to manage their “high” and “very high” risks, which are linked to their risk assessment in the RMMS.

During the year, external third-party experts audited our major charter flight providers in order to ensure we are achieving high safety standards in the transportation of our employees.



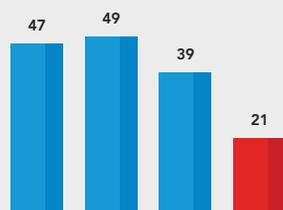
# 2016 Priorities

We are committed to maintaining the highest health and safety standards possible. Our long-term goal is to strengthen our health and safety culture with more individual accountability and leadership to reach the ultimate goal of a workplace with zero accidents. For 2016, our corporate objective is a combined lost-time and restricted work frequency rate of 1.4 – as compared to our 2015 objective of 1.5.

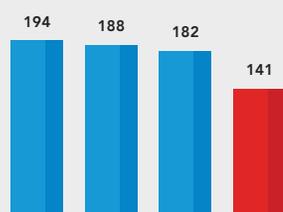
While continuing our effort to improve the safety of our operations, in 2016, we plan to emphasize safety prevention through every phase of our exploration activities. We will work closely with our contractors to ensure they share our rigorous approach to safety prevention with their teams.

Each site will also develop specific objectives to improve overall employee awareness of health issues, including stress awareness and management. Additionally, we will advance our industrial hygiene program by continuing to collect and organize data so that we better understand our exposure profiles. Our internal database Helios is now fully operational at Meadowbank and we will continue its implementation at our other divisions during the year.

### Number of Lost-Time Accidents

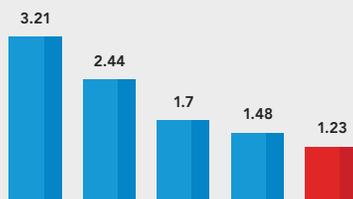


### Number of Medical Aid Accidents

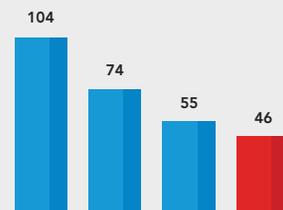


### Combined Lost Time and Light Duty Accident Frequency

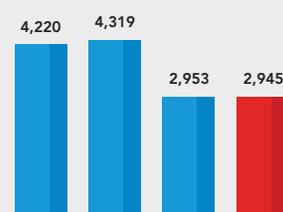
(per 200,000 person hours)



### Number of Light Duty Accidents



### Personal Days Lost Due to Accident



2011–2014  
2015

## EMERGENCY RESPONSE AND MINE RESCUE

Each of our mining operations has its own Emergency Response Plan and personnel trained to respond to safety, fire and environmental emergencies. Each mine also maintains the appropriate response equipment. Mine rescue is very important at Agnico Eagle. Each site has a team in place and regular training and simulations are done in order to be ready in case of emergency.





## We want our mine rescue teams to be the best they can be: being the best can save lives.

Mining activities can be high risk with potential for accidents to happen. We want our mine rescue teams to be the best they can be: being the best can save lives.

When they do occur, each mine has a highly trained team of mine rescue personnel ready to respond. Mock training exercises are held regularly and once a year, competitions are held in each mining region.

In 2015, our Goldex Mine Rescue team captured the overall title of Provincial Champions in Quebec and the ninth win overall for our Quebec-based mines. The Meadowbank Mine Rescue team took home the top honour in the Surface Obstacle-Extrication event during the 58th Annual Mine Rescue Championship in Yellowknife.



## Improving Underground Pedestrian Safety

The ultimate safety goal for any mining company is achieving a zero-incident work environment. The industry has made great strides in improving its performance by assessing risks, measuring performance, training employees, rewarding achievement and adopting best practices.

One issue that has consistently been ranked as a major risk by our industry and our own operations is the potential for collisions between underground mobile equipment and pedestrians. In 2015, our Goldex mine piloted a new underground safety monitoring system – MineProx™ by Newtrax – to test its ability to improve the detection of people working in blind spots, enhance operator situational awareness and contribute to a safer workplace.

Dany Cloutier, Goldex's Health and Safety Advisor, and Guillaume Lachapelle, Agnico Eagle's Corporate Director of Health, Safety and Security, discuss the findings to date.

"We decided to test this system after we experienced several near miss situations between mobile equipment and pedestrians across our mine sites," says Dany. "Goldex was mandated to carry out the pilot and share our findings with all Agnico Eagle mines – to see if it is a good solution to this problem."

MineProx™ by Newtrax is a proximity warning and collision avoidance system specially designed for underground hard

rock mines. It uses radio frequencies (RF) to detect individuals, vehicles and hazards underground, using a vehicle proximity transceiver-dashboard display panel; cap lamps with RF badges that emit signals; and fixed hazard beacons.

"We conducted a series of tests to evaluate MineProx's effectiveness including fixed hazard detection and emergency stop response, parked vehicle detection, signal distance, nuisance alarm, and proximity warning – that is, its ability to detect individuals working in blindspots and around corners."

When an operator receives advance warning of a vehicle or person's presence he can slow down or stop the vehicle as required. It is strictly a decision support tool for the operator – in no circumstances does the system take control of the vehicle. A pedestrian concerned about getting hit can also push the emergency button on his cap lamp to send an emergency stop signal to all operators in the area. This can also be used as a signal in case of mine evacuation.

According to Guillaume, "We're always looking for ways to improve our overall safety performance and this could be a new tool to help us prevent accidents and reduce collision risks underground. This is consistently cited as a high risk in our risk register and in our ongoing safety analysis. We already have training, procedures, processes and rules to avoid these situations, but we decided to go one step further.

However, whenever you are investing in technology, you need to make sure it is reliable and can actually perform properly in an underground environment. The bottom line is we need to ensure it can detect people and vehicles in different situations and configurations in order to improve underground pedestrian safety.

We are reviewing the test results to date and we anticipate making a decision later in 2016 on whether to implement the system over the next few years across Agnico Eagle," Guillaume concludes.





Newtrax Technologies Inc  
 www.newtrax.com  
 +1-877-NEWTRAX, sales@newtrax.com

2

LHD operator always has his cap lamp turned on, therefore count of workers in range increases from 1 to 2 when another worker with his cap lamp on becomes in range.



Detection range around corners @ 900 MHz is significantly better than @ 2.4 GHz

1

Mobile equipment operators are warned when other vehicles, workers or fixed hazards appear in range.

3

Workers in refuge with cap lamp off are not detected



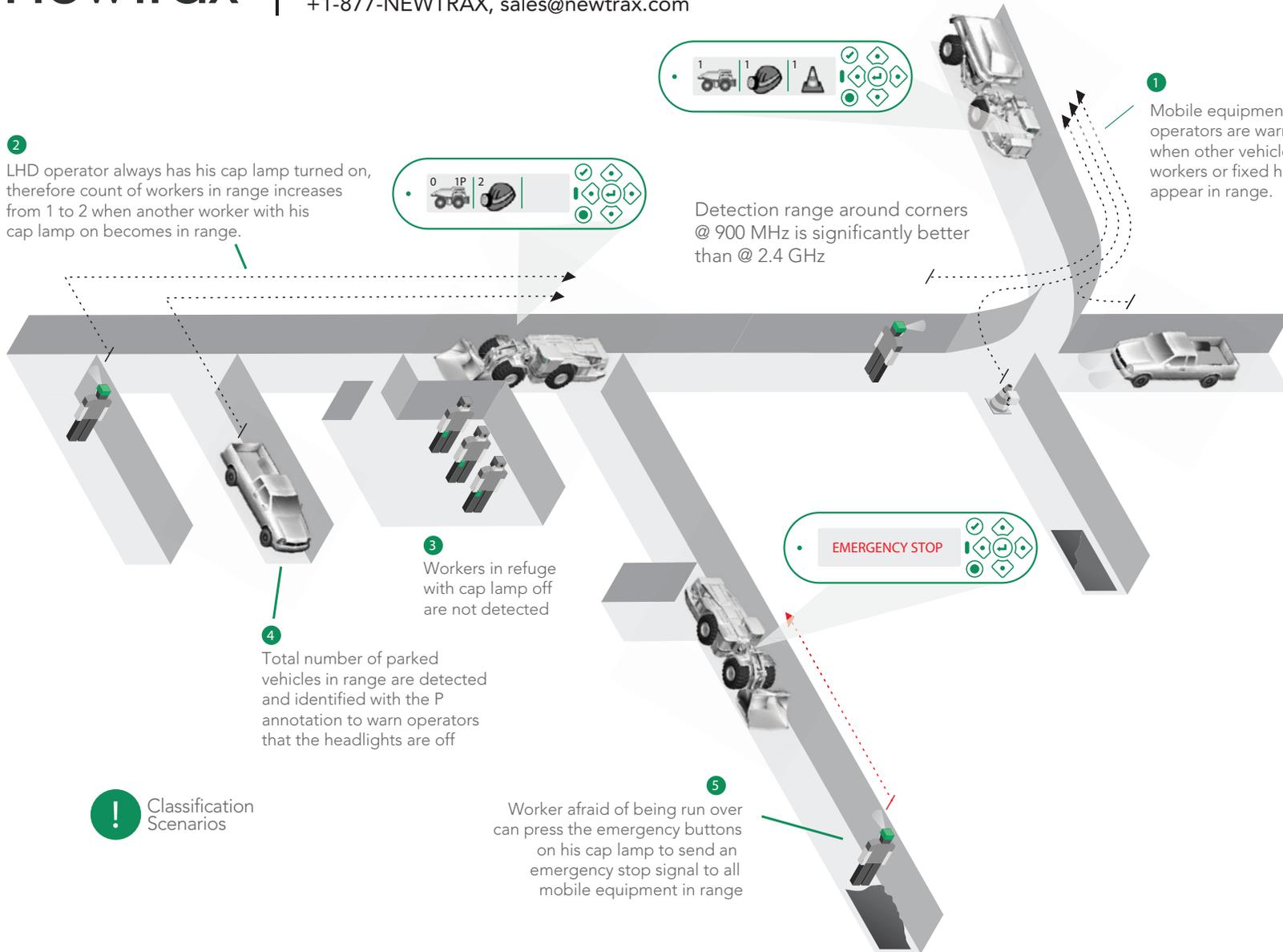
4

Total number of parked vehicles in range are detected and identified with the P annotation to warn operators that the headlights are off

! Classification Scenarios

5

Worker afraid of being run over can press the emergency buttons on his cap lamp to send an emergency stop signal to all mobile equipment in range





## BUILDING COMMUNITY READINESS



Emergency response training and drills can make a difference – particularly to the communities in which we operate. In 2015, our Lapa mine conducted joint training with the fire fighters brigade of the nearby municipality of Rivière Heva, while our Kittila mine participated in the Barents Rescue Exercise.

Barents is an international bi-annual full scale simulation exercise run by Finland, Norway, Russia and Sweden – which are all located in the Barents Region. Once Finland chose Kittila as the host municipality for the 2015 exercise, a series of field training exercises were developed, two of which were run in cooperation with our Kittila mine and leveraged its underground mine and surface rescue teams.

The first simulation exercise involved an underground collision between a truck carrying explosives and a personnel vehicle

which caused a fire. Kittila's underground mine rescue team were the first rescuers to enter the mine. An associated media reporting exercise helped test the crisis response and media relations skills of the Kittila mine team.

The second exercise took place at nearby Levi, where a simulation scenario included a tourist bus with skiers colliding with a truck transporting caustic materials. Kittila's surface rescue team, which has extensive training in dealing with dangerous chemicals, assisted with the rescue operation.



## BUILDING WELLNESS STARTS AT WORK

We encourage employees to adopt healthy habits and lifestyles, for life. Two major contributors to wellness are exercise and diet. In 2015, the Goldex mine established a Wellness Committee which introduced a number of health initiatives, including Goldex's very own training circuit. Employees were invited to test their physical limits along the outdoor circuit, which included obstacles such as monkey bars, tire jumps and rope-climbing areas, to encourage activity and good exercise habits.

Goldex's example inspired others. While many employees at the Support and Development Centre were already taking long walks together to keep in shape, they decided to transform a conference room into an employee gym. This launched the GYM-CSD – with standard equipment such as spinning and stationary bikes, and elliptical trainers. Employees are now actively using GYM-CSD during their lunch time or after work hours and pedalling their way to health.



In order to mine responsibly, it is essential to have the tools and instruments in place to accurately predict rock movements and prepare for seismic events. In September, the geotechnical engineering group at Meadowbank mine successfully did just that, predicting in advance a 9,200 tonne rock fall on the pit wall.

The fall was anticipated up to three days before the actual collapse, based on sub-millimetric movements visible with the mine's radar monitoring system. As more data came in, the geotechnical engineering group was able to provide a rough estimate for the timing of the rock fall of between 4:00 and 4:30 p.m. The rock fall actually occurred at 4:31 p.m., highlighting the increased understanding of rock fall mechanisms at the mine.

On the day of the predicted rock fall, equipment and workers were moved out of an increased safety radius, and the geotechnical engineering group filmed and witnessed the rock fall – a first for Meadowbank and for Agnico Eagle.



AVIATION SAFETY AND RISK MANAGEMENT

In 2014, we conducted a company-wide risk assessment to identify and evaluate health and safety risks as part of our RMMS program. As a follow-up to this risk assessment exercise, we undertook a review in 2015 of the safety performance standards for the three private aviation companies we contract with in Canada (Nunavut) and Mexico to transport our employees to our various mining and exploration sites. The onsite safety audits were conducted by a recognized external expert in the aviation field and concluded that these charter companies are meeting recognized global safety performance standards for maintenance, pilot and steward training, and security. Agnico Eagle

will conduct similar audits on a regular basis in the future in order to verify that our employees are being safely transported to and from our remote sites.

During the year, we also tested our capacity to respond to an aviation "crisis" or event. We worked with Nolinor Aviation and a crisis expert to develop a desktop simulation exercise of an emergency event of an airplane transporting Agnico Eagle employees to our mining operation in Nunavut. The full day exercise involved over 25 people, and helped clarify each participant's duties and capabilities in responding to media, family, medical and civic inquiries.



# Health and Safety (cont'd)



## Awards + Certifications

- The Quebec Mining Association recognized 23 supervisors from the LaRonde, Lapa and Goldex mines for achieving more than 50,000 hours without any compensable accidents on their work teams from July 1, 2014 to June 30, 2015. Eight of our supervisors were also recognized for achieving 100,000 to 250,000 hours without any compensable accidents during the same time period.
- Goldex received an Award of Excellence for its development of a unique cable clamp system designed in collaboration with Metal Marquis. The award was presented as part of the 27th annual Conference for the Promotion of Health and Safety Achievements. The system, which is controlled by a remote control, is composed of an automated gripper on an articulated arm that allows the operator to remotely remove any metal pieces that may have become mixed in with the ore in the crusher. Being able to perform this task from the safety of a control room has reduced our employees' exposure to the risks associated with the manual removal of debris.
- The Goldex Health and Wellness Committee received an Award of Distinction from Le Groupe entreprises in the "manufacturing" category in recognition of its health and well-being programs.
- Agnico Eagle was honoured for the second year in a row with a Safety Performance Excellence Award at the annual Intelix User Conference for demonstrating outstanding improvements in health and safety performance.





## ENVIRONMENT

We focus on limiting our environmental impacts by using natural resources efficiently, by preventing or limiting emissions and by reducing waste. Each of our operations is required to identify, analyze and manage its environmental risks and to work in a transparent manner with local stakeholders, building a foundation of trust and cooperation.

### IN THIS SECTION

#### 2015 PERFORMANCE

##### ENERGY AND GREENHOUSE GASES

Water Management

Waste and Tailing Management

Environmental Incidents and Compliance

Permitting

#### 2016 PRIORITIES

##### ENSURING THE SAFE OPERATION OF OUR TAILINGS FACILITIES

##### BUILDING A STANDARD

##### ACTING RESPONSIBLY

##### BUILDING ENVIRONMENTAL AWARENESS

##### BUILDING A PATH TOWARDS SUSTAINABILITY

##### BUILDING KNOWLEDGE

##### AWARDS + CERTIFICATIONS





# 2015 Performance

We aim to minimize the effects of our operations on the environment and to maintain its viability and diversity. To achieve this, we:

- minimize the generation of waste and ensure its proper disposal;
- manage tailings, waste rock and overburden to ensure environmental protection;
- implement measures to conserve natural resources such as energy and water;
- implement measures to reduce emissions to air, water and land, and to minimize our footprint;
- implement measures to reduce our greenhouse gas emissions and consider the effects of climate change;
- integrate biodiversity conservation and land use planning considerations through all stages of business and production activities; and,
- rehabilitate sites to ensure long-term physical and chemical stability and in consultation with nearby communities in a timely manner.

To support our progress in achieving these commitments, we are firmly engaged in the Towards Sustainable Mining (TSM) initiative developed by the Mining Association of Canada (MAC). In 2015, the first external audits of our application of the TSM protocols were conducted at six of our mines; four in Canada, one in Finland and one in Mexico. Three of our mines – Kittila, LaRonde and Goldex – achieved Level A or better in all the protocols. Overall, we achieved Level A or better for 124 of the 132 indicators verified.

PROTOCOLS	INDICATORS	KITTILA	MEADOWBANK	PINOS ALTOS	GOLDEX	LARONDE	LAPA	PROTOCOLS	INDICATORS	KITTILA	MEADOWBANK	PINOS ALTOS	GOLDEX	LARONDE	LAPA	AEM (CORP)
Tailings <b>100%</b>	1	A	A	A	A	A	N/A	Crisis <b>95%</b>	1	Y	Y	Y	Y	Y	Y	Y
	2	A	A	A	A	A	N/A		2	Y	Y	Y	Y	Y	Y	Y
	3	A	A	A	A	A	N/A		3	Y	Y	N	Y	Y	Y	Y
	4	A	A	A	A	A	N/A		1	A	AAA	AAA	A	AA	A	
	5	A	A	A	A	A	N/A		2	A	A	AAA	A	AA	B	
Energy & GHG <b>86%</b>	1	A	A	B	N/A	AA	N/A	3	A	A	AA	A	A	C		
	2	A	A	A	A	A	A	1	A	A	A	A	AAA	AA		
	3	A	A	B	N/A	A	N/A	2	A	A	A	A	AAA	A		
Community <b>92%</b>	1	AAA	AA	AA	AA	AA	AA	3	AA	AAA	A	AA	AA	A		
	2	AA	A	A	AA	AA	A	4	A	A	A	A	A	A		
	3	AA	B	A	AAA	AAA	A	5	AA	AA	B	A	A	AA		
	4	A	B	A	AA	A	A									

The following sections present the performance on key environmental indicators for all our operations. It should be noted that information related to any assets of the Canadian Malartic General Partnership (CMGP) or Canadian Malartic Corporation – in which we have 50% ownership, such as the Canadian Malartic Mine – is not included here, since the sustainable development (SD) performance of CMGP is covered in their own distinct SD report.



# Energy and Greenhouse Gases

## Energy management is part of the TSM initiative.

This contributes to an increased awareness of the need to better control energy consumption, which ultimately helps in reducing GHG emissions. Energy reduction initiatives are often led by our employees, who regularly identify small incremental steps resulting in overall improvement of energy performance.

ELECTRICITY USE

Our LaRonde, Goldex, Lapa, Kittila, and Pinos Altos/ Creston Mascota operations are all connected to a regional electrical grid. However, we produce our own electricity at our operation and projects in Nunavut (Meadowbank, Amaruq and Meliadine), and at our La India mine in Mexico. It should be noted that all our sites connected to the grid also have emergency backup generators to supply electricity to essential services during any periods when the local electrical grid is down.

### Electricity consumption from regional grids:

Our total electricity consumption from the grid increased by 10% to 901 gigawatt hours (GWh) in 2015 from 819 GWh in 2014. This increase was mostly due to increased production as a result of completion of the mill expansion project at Kittila.

### Electricity produced on-site:

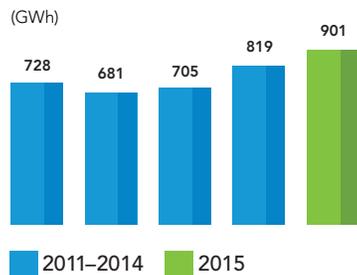
Our total electricity production decreased by 6% to 148 GWh in 2015 from 157 GWh in 2014. The construction

of an electrical power line to Creston Mascota in 2014 has limited the need for electricity production onsite to periods when the regional electrical grid is down. Pinos Altos/Mascota therefore reduced its electricity production from 2.6 GWh in 2014 to 0.36 GWh in 2015.

### Total electricity consumption:

Overall, the total amount of electricity used both from external grids and generated on-site increased by approximately 7%, from 976 GWh in 2014 to 1,049 GWh in 2015. This overall increase can be attributed to increased production and development at our various mines.

### Agnico Eagle's Total Electricity Consumed from the Grid



## DIESEL USE

Diesel fuel is used at our mines for powering mining equipment, generating electricity for the mines that are not connected to a regional grid, and for other uses such as blasting and heating mine air. Total diesel fuel consumption increased to 112.6 million litres (ML) in 2015 from 107.1 ML in 2014. Of that quantity, 69.2 ML (61%) were used for mining equipment, 41.1 ML (37%) were used for power generation, and 2.1 ML (2%) were for other uses.

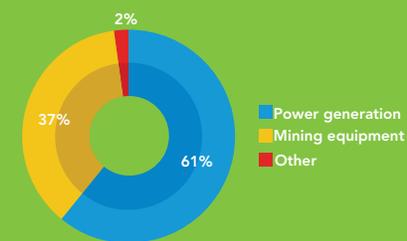
Among the reasons for this increase; La India's diesel fuel consumption for mining equipment totalled 9.1ML, representing a 2.4ML increase over the previous year, as the mine was still ramping up and stabilizing its production. Goldex also increased its diesel consumption by 800,000 litres due to increased demand from its mining fleet, following increased production rates and the development of the Deep mining project.

Despite this overall increase, diesel fuel usage per tonne of ore processed fell by 3% to 5.53 litres from 5.68 litres in 2014, demonstrating an improvement in efficiency that can be linked to a more energy efficient use of our equipment.

### Total Diesel Consumption



### 2015 Total Diesel Consumption



## NATURAL GAS USE

Natural gas is used at our mines in Abitibi for heating the air that is sent underground during winter months, the heating of buildings, and to supply air compressors. During the year, natural gas usage increased by 4%

over 2014 levels, to 11.8 million cubic metres (Mm<sup>3</sup>). However, the intensity of usage decreased by 4% from 0.61 to 0.58 thousand m<sup>3</sup> per tonne of ore processed in 2015.



We calculate direct and indirect greenhouse gas (GHG) emissions on a monthly basis and report them annually to the Carbon Disclosure Project (CDP) both in tonnes of GHG (CO<sub>2</sub> equivalent) and in intensity, which is the amount of tonnes of GHG (CO<sub>2</sub> equivalent) per tonne of ore processed. Direct GHG emissions are from sources owned or controlled by the Company and indirect GHG emissions are emissions from sources owned or controlled by an external organization. For example, the emissions resulting from the generation of purchased electricity would be considered indirect GHG emissions.

**Total direct GHG emissions:** In 2015, total direct GHG emissions increased slightly compared to 2014. Total direct GHG emissions were estimated at 337,190 tonnes (t) of CO<sub>2</sub> equivalent from all sources – including fuel used to generate power, fuel for mining vehicles, natural gas for heating, and explosives used in blasting at our operating mines. This compares to 317,349 t of CO<sub>2</sub> equivalent in 2014, which represents an

increase of approximately 6.3%. Some of the contributing factors that led to the increase in direct GHGs, include the increased mine production at Goldex and La India and the project expansion at La India and Kittila.

**Total indirect GHG emissions:** Total indirect GHG emissions were approximately 70,281 t of CO<sub>2</sub> equivalent in 2015, as compared to 67,768 t in 2014, which represents a 3.7% increase.

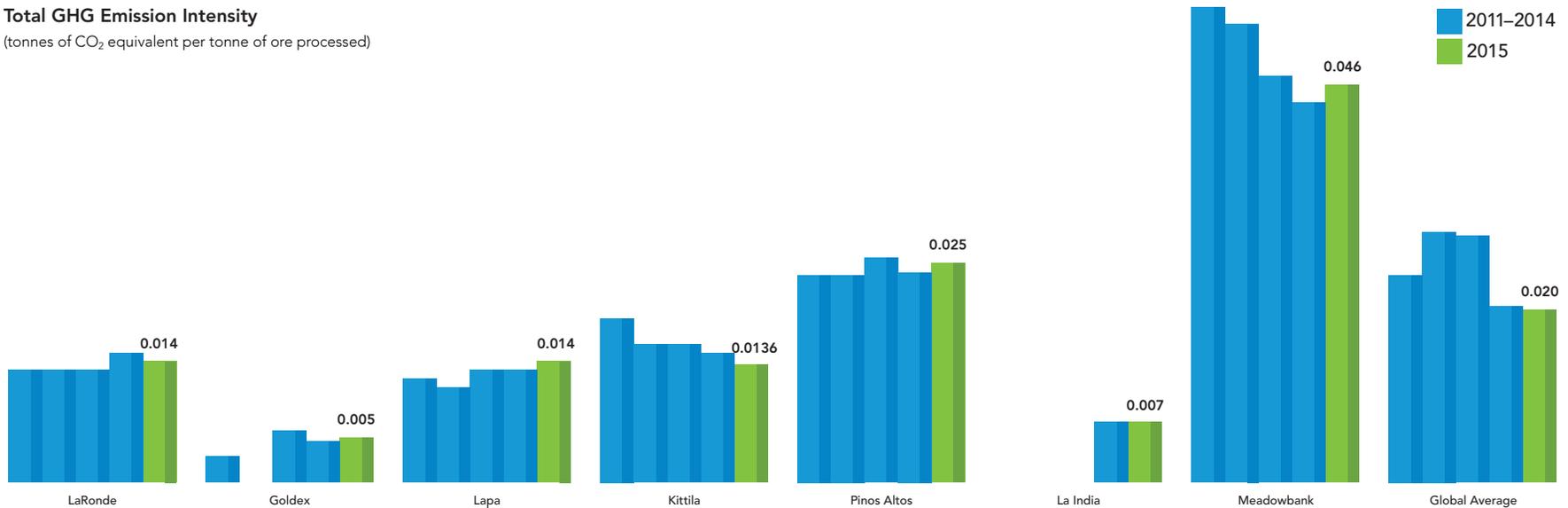
**Total GHG emissions:** Total direct and indirect GHG emissions were 407,471 tonnes of CO<sub>2</sub> equivalent in 2015, a 5.8% increase from 385,117 tonnes in 2014.

**GHG emissions intensity:** Despite the increase in total GHG emissions, our average GHG emission intensity (tonnes of CO<sub>2</sub> equivalent per tonne of ore processed) for all of our operating mines decreased by 2% from 0.0204 in 2014 to 0.0200 in 2015.

This was due to a combination of more efficient energy use, as well as the use of more hydroelectric power. Meadowbank has the highest intensity values as it has no alternative but to generate all of its own electrical power from diesel fuel. In Finland and Quebec, electrical power comes primarily from hydroelectric sources, which results in significantly lower GHG emissions and, therefore, lower intensity values.

**Total GHG Emission Intensity**

(tonnes of CO<sub>2</sub> equivalent per tonne of ore processed)





# Water Management

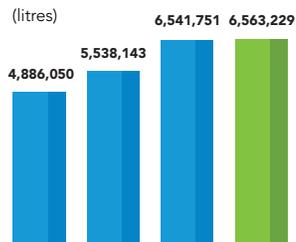
Properly managing the water we use and the effluents we release to the environment is a significant part of the environmental management programs at all our mining operations. Our water management strategy begins with our commitment to reducing our fresh water usage intensity by maximizing water reuse in our processes. These different fresh water sources include surface water from bodies of water, groundwater and water from town systems.

In 2015, the total fresh water used by Agnico Eagle from all sources was 6.563 million m<sup>3</sup> (Mm<sup>3</sup>), up a slight 0.3% from 6.541 Mm<sup>3</sup> in 2014. It should be noted that the number previously reported in 2014 (6.113 Mm<sup>3</sup>) has been corrected for the rain water catchment in the Pinos Altos and Creston Mascota heap leach pads.

TOTAL FRESH WATER CONSUMPTION



Total Volume of All Fresh Water Used for All Mine Uses

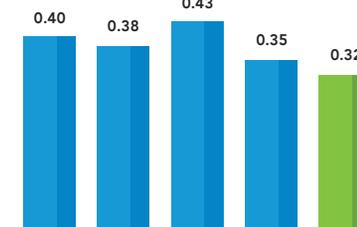


## FRESH WATER USE INTENSITY

Despite the slight increase in total fresh water use in 2015, our withdrawal and use of fresh water from all sources was 0.32 m<sup>3</sup> per tonne of ore processed, down from 0.35 m<sup>3</sup> per tonne in 2014, which represents an 8.5% decrease and reflects our continuous improvement efforts with all of our sites undertaking initiatives to reduce their fresh water consumption. The most impressive results were achieved by Meadowbank's water recycling program with over 25% fresh water use reduction between 2014 and 2015.

As part of our water management strategy, our sites strive to minimize the amount of contact water – external water that comes into contact with our activities. To achieve this, wherever possible, we locate our facilities in the most advantageous locations with respect to the watershed and divert as much as possible, “clean” or precipitation runoff – snowmelt and rainwater – away from our work areas wherever practical. For water that requires treatment – typically mine water and process water – we manage the different sources of water separately. We collect precipitation runoff from impacted lands, monitor its quality and release or treat it as necessary to ensure protection of the surrounding aquatic environment.

Fresh Water Use Intensity (m<sup>3</sup> per tonne of ore processed)





## Water Management (cont'd)

In 2015, the total volume of effluent released to the environment from all of our mining operations increased over 2014 levels – from 7.9 million Mm<sup>3</sup> to approximately 9.8 Mm<sup>3</sup> in 2015, representing a 24% increase. In addition to increased precipitation levels in 2015, a substantial portion of the increase can be attributed to the Vault expansion project at Meadowbank which required additional dewatering. Furthermore, Kittila experienced a higher discharge rate of effluent to the environment for a variety of reasons, including an increase in production rates, a special additional discharge to reduce the volume of water in the system in order to facilitate sealing of the NP3 tailings pond corner following the seepage event and increased dewatering efforts in the underground mine as it expands. Kittila has introduced a task force to support and monitor key initiatives to improve overall water management strategy at the site. It is expected that the positive impacts of these measures will be felt in 2016. Despite these localized increases, some of our sites have improved their performance. Goldex, for example, has reduced its discharge by 45% in comparison to 2014 by increasing water recirculation and benefitting from favourable spring conditions in 2015, which minimized the volume of effluent.



Water discharge intensity increased by 14% in 2015 as compared to 2014 – from 0.42 m<sup>3</sup> per tonne of ore processed in 2014 to 0.48 m<sup>3</sup> in 2015.

The LaRonde, Goldex and Pinos Altos mines discharge into small drainage watercourses, none of which are classified as environmentally sensitive; they are not listed as protected waterbodies and do not contain protected (i.e., endangered or threatened) species. The Lapa and Kittila mines discharge into wetland areas, none of which is considered environmentally sensitive or listed as protected wetland. The Meadowbank mine discharges into a relatively large lake, which is not considered environmentally sensitive or listed as a protected waterbody and does not contain protected species.

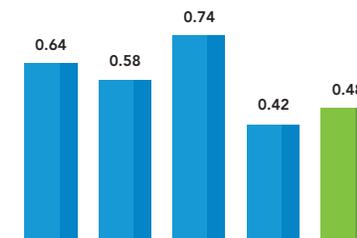
All of our operations have stringent regulatory requirements that must be met at the point of effluent discharge. The requirements were established by taking into account the capacity of the receiving waters to receive these effluents without resulting in unacceptable impact. Our operations also conduct regular environmental effects monitoring programs in these receiving waterbodies, as well as downstream, to check for ecological effects from our effluent

discharges. Based on all of these measures, we are confident that our effluents are not significantly affecting these receiving waters.

At all operations, grey water and domestic sewage are collected and treated at sewage treatment facilities located on-site. The type of sewage treatment processes used at our operations are summarized below:

- Biological treatment and aerated lagoon treatment (LaRonde)
- Septic field + ultraviolet treatment (Goldex)
- Septic tank followed by biological treatment + UV treatment (Lapa)
- Biological treatment (Kittila, Meadowbank)
- Activated sludge + filtration and chlorination (Pinos Altos, La India)

**Effluent Discharge Intensity**  
(m<sup>3</sup> per tonne of ore processed)





Mining by its nature generates large volumes of waste rock and tailings – this is especially true for gold mining where ore grade is expressed in grams per tonne. Tailings are what remain of the ore after the gold and other valuable metals have been extracted. These tailings are typically silt-sized particles mixed with process water. Not all tailings and waste rock are problematic environmentally. In some cases, they may have interesting geochemical characteristics that can make them useful for environmental protection purposes like the Goldex tailings that are being sent to reclaim the Manitou site near Val d’Or.

Waste rock – rock of no economic value extracted during mining operations – tends to be coarser by nature. Like tailings, waste rock can exhibit a wide range of behaviours with respect to long-term geochemistry. In some cases, waste rock can be totally benign and useful for other applications. Such is the case at both Goldex and Pinos Altos, where these materials have no acid-generating potential and no, or low, metal-leaching potential and are used as construction materials.

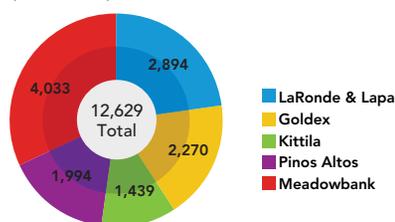
In 2015, the total ore tonnage processed both through our milling or heap leach facilities was approximately 20.4 Mt, as compared to 18.9 Mt in 2014. The tonnage of ore stored on heap leach facilities was approximately 7.8 Mt, as compared to 7.3 Mt in 2014. The total amount of tailings produced by the milling operations was approximately 12.6 Mt, as compared to 11.6 Mt in 2014.

From the 12.6 Mt of tailings produced, approximately 2.5 Mt or 20% were returned underground as backfill, as compared to 2.2 Mt or 19% in 2014. The remaining tonnage of 10.1 Mt was deposited on surface at our different tailings storage facilities. This compares with 9.4 Mt in 2014.

In 2015, Agnico Eagle’s mining operations generated 56.7 million tonnes of waste rock compared to 55.7 in 2014. This slight increase was due to the increased production at Goldex and Kittila. Compared to 2014, when 938,000 tonnes of material were used for construction at Kittila, La India, and Meadowbank, in 2015, only 180,000 tonnes were used for that purpose.

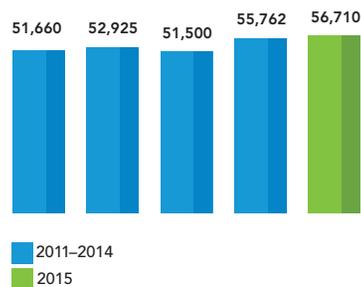
**Mill Tailings**

(000s Tonnes<sup>3</sup>)



**Volume of Waste Rock Produced**

(000s of tonnes)



**ENVIRONMENTAL INCIDENTS AND COMPLIANCE**

We believe there are lessons to be learned from each environmental incident, irrespective of its gravity. For that purpose, all environmental incidents are recorded in our Intalex database and, depending on their potential consequences, they are also investigated and action plans put in place to avoid re-occurrence.

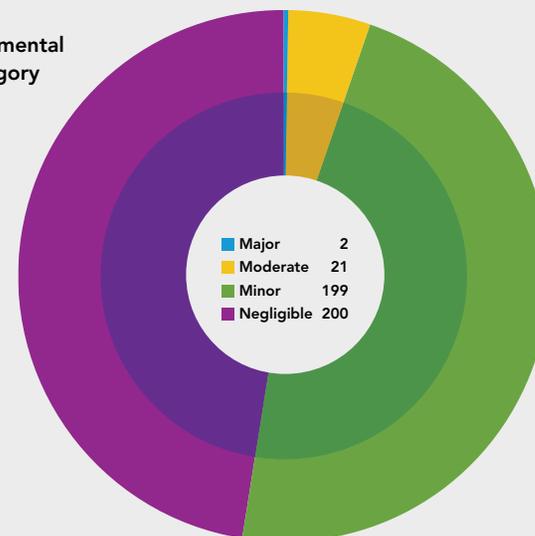
In 2015, 422 environmental incidents were reported as compared to 203 in 2014 and 223 in 2013. This increase can be mainly attributed to a larger emphasis placed on the importance of reporting incidents. In 2015, 410 out of the 422 reported incidents were spills, 398 occurred within the site boundaries and 4 outside. The remaining incidents were nuisances from noise (3) and dust (3), impacts on wildlife (3) and environmentally related material damages (3).

Two category 3 events occurred during the year:

- 1) Two cows that inadvertently accessed our heap leach pad died after ingesting cyanide on August 13th. Following this incident a plan was put in place to construct additional fencing around the heap leach area;
- 2) In September, our Kittila mine observed water seepage coming from the toe of the NP3 dam. Uncontrolled discharge of treated water continued over a period of 36 hours. All water from this discharge was collected and pumped back in the holding pond for storage or to be re-used as process water. The water quality of this discharge met all applicable permit requirements and was of appropriate quality to be released to the environment.

**Reported Environmental Incidents by Category**

2015



In 2015, our operations continued to work in a transparent and cooperative manner with authorities regarding environmental matters. This approach has allowed us to build credibility and trust with regulators as we seek to obtain new permits or permit renewals. We recognize, however, that this trust is built on the application of a rigorous approach to environmental management at our existing sites. We will continue to actively engage with authorities to ensure that we understand their requirements and expectations, as we seek to advance any future permitting processes.

**Nunavut Operations – Meadowbank mine:** In 2015, the Type A Water License for the Meadowbank Mine was renewed for an additional 10-year period to mid-2025. This is one of the main operating licenses for the mine. An application to extend the Vault Pit into Phaser Lake was submitted and is currently working its way through the environmental assessment process under the Nunavut Impact Review Board (NIRB).

In late 2015, authorizations were obtained from the Nunavut Water Board (NWB), the Kivalliq Inuit Association (KIA) and the Government of Canada to allow Agnico Eagle to construct and operate a new 60 kilometre all-weather exploration road that will connect

Meadowbank Mine to the Amaruq exploration site. Exploration at the Amaruq site is ongoing. In order to account for the possibility of a new satellite open pit mine (the Whale Tail pit) at that location, environmental baseline studies and the collection of Inuit Traditional Knowledge around the Amaruq site has begun in 2015.

**Nunavut Operations – Meliadine project:** In early 2015, the NIRB issued a new Project Certificate for the Meliadine Gold Mine Project. This certificate was approved, after the successful completion of a multi-stakeholder environmental and socio-economic assessment of the project, and enabled Agnico Eagle to proceed with obtaining the various construction and operating permits for the mine. In mid-2015, we submitted an application for a Type A Water License to allow for construction and operation of the main components of this project. This application underwent technical review by the regulatory agencies and by the KIA, culminating in a public hearing process that closed in February 2016.

**Kittila mine:** A new permit was obtained in April 2015 for the Kittila operation which formalized some key operational water quality and quantity requirements for the coming years. Some of the permit conditions have been appealed by an

outside group and a final decision is expected in 2016. As it stands, the new permit conditions would include an increased production rate from 1.5 Mt/year to 1.6 Mt/year, and an increase in the volume of water that can be pumped from the Seurujoki River and discharged to the infiltration fields. The new permit would also add sulfate to the list of controlled water quality parameters at the effluent. Both the sulfate concentration and the annual loading are included in the permit. It also reduces the allowable effluent limit for arsenic, antimony and nickel. In order to meet the new permit limits, the mine is in the process of completing the design of a water treatment plant for sulfate removal that would be commissioned by the end of 2016 or early 2017. Other initiatives are also underway to improve the operation's water management strategy to further reduce the dependency on fresh water.

**Goldex mine:** Goldex continued to collaborate with the Quebec government Ministry of Energy and Natural Resources on the management of the Manitou site. The ramping up of production at Goldex, and the development of new zones, have been instrumental in improving our ability to deliver tailings to Manitou to be used for the rehabilitation of this site.



## 2016 Priorities

In 2016, we will continue to focus on limiting our environmental impacts by using natural resources efficiently, by preventing or limiting emissions, and by reducing waste. We will continue to advance our water management and tailings management strategies; implement our action plan for a permanent solution to Kittila's water seepage event; and work with authorities in Canada and Finland to advance the various environmental assessments, applications, approvals, permitting and baseline studies currently underway. In addition, we will implement a formal quarterly review of water management at all our operations. Follow-up action plans will be implemented based on the recommendations of the 2015 tailings management facilities external reviews.





## ENSURING THE SAFE OPERATION OF OUR TAILINGS FACILITIES

The mining industry has long been committed to improving the safe operation of its tailings management systems and facilities. In 2014, a tailings dam failure at a mine in British Columbia underscored the need for our industry to remain vigilant and to continuously verify that the appropriate controls are in place at all mine sites managing tailings.

At the request of Agnico Eagle's Board of Directors, Michel Julien, our Vice-President of Environment, was asked to conduct a formal external review of our tailings storage facilities in 2015. Five of our six tailings facilities were part of the formal external review process. The sixth facility – Meadowbank – is subject to an external verification by a technical committee each year since its construction.

"We are addressing the question of dam safety with the highest priority, as these recent events involving dam failures have impacted the entire industry. We need to strive to continuously improve our designs and to make them more robust and safe.

We also must continuously review our management practices to ensure that we are operating and monitoring our sites in the safest manner and to demonstrate that we are doing all that we can to protect public safety and the environment.

Agnico's external review confirmed that our facilities are operating in a safe and responsible manner and that we have the appropriate protocols and systems in place to effectively manage and mitigate the risks associated with managing our tailings facilities. It also identified areas where we need improvements or technical clarifications. We are currently reviewing these recommendations and developing our action plans.



## BUILDING A STANDARD

In 2004, the Mining Association of Canada developed its Towards Sustainable Mining (TSM) initiative to help mining companies evaluate the quality, comprehensiveness and robustness of their management systems under six performance protocols: crisis management, energy and GHG emissions management, tailings management, biodiversity conservation management, health and safety, and aboriginal relations and community outreach.

Beyond these external reviews, we are committed to taking a hands-on approach to managing our tailings storage facilities at all phases - from development, operation right through to closure. As an example of this commitment, we meet at least annually with our engineering design consultants to review and discuss performances of each facility, so we can quickly address any issues that may arise.

Going forward, our priorities are to continue enhancing our water management and monitoring programs. We want to ensure we are adequately monitoring our structures, collecting and reviewing our data on a timely basis so we can identify any issues before they become problems.

Participation in the TSM program is mandatory for all Canadian operations falling under MAC's jurisdiction.

Agnico Eagle began implementing TSM in 2011 and, in 2015, our Goldex, Kittila, Lapa, LaRonde, Meadowbank and Pinos Altos mines underwent their first external verification for all 23 indicators. Our La India mine did not participate as it was still in the start-up phase.

The audit results showed that our operations had achieved an 'A' rating or higher for 95% of the indicators in the six protocols. Three of our mines – Kittila, LaRonde and Meadowbank – each received a TSM Leadership Award for achieving an 'A' level or higher in all protocols.

Additionally, Agnico Eagle has committed to ensuring the TSM initiative is implemented at all of our operations, including Finland and Mexico. In 2015, we were pleased to help facilitate the adoption of the TSM Initiative by FinnMin, the Finnish Mining Association. This is the first time TSM has been adopted by a mining association outside of Canada.

For us, managing mine waste – in a broad sense – is an essential part of our business. It is no longer an afterthought that we can push the ownership to a third-party. We need to be able to identify any issues before they become problems, and we need to have a clear vision and strategy on how we will be managing our mine waste in five to 10 years from now if we want to maintain our social license to operate."





## ACTING RESPONSIBLY

**In September, during a routine inspection of its holding pond for treated process water, Kittila discovered water seepage presumably through the liner at the bottom of the holding pond. Within 36 hours, the seepage had been confined and all water from the uncontrolled discharge had been collected and pumped back into the holding pond.**

Kittila immediately informed the Lapland ELY Centre (Environmental Supervising Authority) about the seepage and began monitoring the quality of the river water. An external firm assessed the impacts to the river, finding that: 1) the river had not been impacted by the increase discharge of treated water; 2) water quality of the uncontrolled discharge met all applicable

permit requirements; 3) and, the water was of appropriate quality to be released to the environment. However, the volume of water that was released during the 36-hour period resulted in us exceeding our authorized water discharge quantity by an estimated 25% for the month of September.

In parallel, Kittila transferred water from the holding pond to a new water storage reservoir that was completed in the summer of 2015. Approval from the authorities was received in October to commission the water reservoir and water transfer began immediately. The transfer of water from the holding pond to the new water storage reservoir reduced the water levels and allowed mitigation work to proceed safely.

Following some issues in late 2013 at the

Meadowbank processing plant, Agnico Eagle has embarked on a review of hazardous materials containment facilities at each of its processing plants, to assess if any issues are present.

Chemical preparation and leaching process circuit containment areas and groundwater monitoring installations were inspected in 2015 throughout our operations. The inspections confirmed that there is no evidence of any current contamination issues at our sites. Some operations must follow up on improvement recommendations made during this phase of the program and ensure that monitoring and maintenance of their containment areas is included in their global equipment and infrastructure maintenance practices.



## BUILDING ENVIRONMENTAL AWARENESS ONE EMPLOYEE AT A TIME

We have undertaken a number of initiatives to increase the environmental awareness of our employees.

Employees at our "Support & Development Centre" (CSD) in Preissac, Quebec, for example, won a local business challenge – known as *At Work Without My Car* – in 2015. The friendly competition promotes carpooling and the use of eco-friendly transportation, by tracking which business, in each category, has the highest percentage of carpooling over the competition period. The prize money must be spent on something that benefits all employees. CSD employees decided to purchase and plant an apple tree in a seating-garden area outside their offices.

"In addition to beautifying our work site, the tree attracts birds and contributes to cleaner air. It's a sustainable gesture and a legacy that hopefully will remind us every day to maintain our carpooling habit," says Josée Noël, who is responsible for mine reclamation projects at Agnico Eagle.

Additionally, employees at our Abitibi mines participate in Canada's annual Environment Week. In 2015, the mines promoted efficient energy use by offering every employee an LED lightbulb for home or office use, along with information about their efficiency and numerous lighting advantages.



Source: Ministry of Forest, Fauna and Parks

### BUILDING A PATH TOWARD SUSTAINABILITY

- Kittila mine is building a district heating system – similar to a centralized heating system used in cities in Finland – to take advantage of its waste heat, reduce its overall costs and minimize its carbon footprint. The site will connect several buildings and warehouses and will replace a mine air ventilation heating plant that runs on fuel. The system functioned for a period of 12 days during 2015 and achieved 1600 Mwh in energy savings. Future additional infrastructure such as new underground mining areas, an eventual shaft or processes in the processing plant would all be connected to the district heating network.
- In 2015, the total amount of fresh water used by Meadowbank totalled 811,807 m<sup>3</sup> – well below its approved limit of 2,350,000 m<sup>3</sup> and the lowest amount of fresh water used since mining operations began there in 2010. In 2016, the mine hopes to further reduce its use of fresh water to between 500,000 and 600,000 m<sup>3</sup>.

How did Meadowbank achieve this milestone? In 2013, mill employees introduced a comprehensive water recirculation program, reusing as much reclaimed water as possible in order to reduce the site's use of fresh water. This, combined with the implementation of a Water Management Plan, led to Meadowbank's lowest fresh water use in its operating history. As an added benefit Meadowbank has reduced its costs, paying less for water use, pumping, piping and water treatment.

- Our Mexican operations conducted extensive reforestation work in the La Haciendita and La Mesa sites, near the Creston Mascota site, following a major forest fire during the last dry season. Over 6,500 trees have been planted to date to help the region recover from this devastating forest fire. Pinos Altos maintains a tree nursery on-site and it annually harvests more than 100,000 seedlings to meet the needs of its progressive reclamation program.

## Agnico Eagle and Canadian Malartic are partnering with the Quebec government to protect and save the population of woodland caribou that inhabit the Val-d'Or area of Quebec.

Quebec's Ministry of Forest, Fauna and Parks is the lead partner in this effort to save the woodland caribou of Val d'Or. The goal is to ensure that the females are not vulnerable to predation while they give birth and also to help protect the fawns and increase their survival rate. In order to do this the pregnant females are captured and transported into a pen at a local biodiversity reserve where they can give birth without being exposed to predators like wolves. The newborn caribou and their mothers are then released back into their natural habitat a couple of months later.

Since 2014, a total of five fawns were released into their natural habitat with their mothers with the hope that the local population can eventually grow to at least 20 caribou. The long-term goal is to build the herd up to 50 caribou. While the Ministry contributes primarily its expertise and human resources to the initiative, Agnico Eagle has to date, made annual contributions of \$20,000 to protect and grow the woodland caribou herd of Val-d'Or. Canadian Malartic also added an additional \$30,000 in 2015.

### BUILDING KNOWLEDGE

Our Pinos Altos operation is located in the Sierra Madre Occidental mountain range of Chihuahua, where the state's forests host a large variety of fauna and flora. Capturing the true floral richness of the area – and improving natural resource and sustainable conservation practices in the region – has been a challenge for both local environmental officials and the environmental team at Pinos Altos.

In 2015, they collaborated with local experts and academics to develop a reference book to improve local knowledge and understanding of flora in the area – titled "Pinos Altos, Scientific and Visual Flora Study. Technical information was verified by professors and researchers from the Autonomous University of Chihuahua's Faculty of Ecology.

While the book will be an important conservation decision-making tool and reference guide for the academic and environmental communities, it uses simple language, high quality photography and specific location references, making it a useful guide for visitors and the local community. It is already available in digital format and has been distributed to state universities, local primary and secondary schools, and to leaders and interested communities.

The book contains information about 142 documented plant species, including species of economic interest – such as blackberry, wild blueberry and stevia, which could be a watershed finding for the future of the region, and an economic alternative which could directly benefit the local population creating new jobs and alternative livelihoods.



# Environment



## Awards + Certifications

Agnico Eagle was awarded top prize in the category of “Sustainable Development” at the 26th Annual Gala of Elites hosted by the Central-Abitibi Chamber of Commerce and Industry, as well as the “Innovation” award for the unique and effective solution it devised to upgrade the air conditioning system at our LaRonde mine.

Three of our operations – Kittila, Meadowbank and Pinos Altos – were certified under the International Cyanide Management Code. The Cyanide Code is a voluntary industry program for companies involved in the production of gold using cyanide and companies producing and transporting this cyanide. The objective of the Code is to improve the management of cyanide used in gold mining and assist in the protection of human health and the reduction of environmental impacts.



Our Kittila mine was awarded the Environmental Contribution of the Year Award for 2015 at the second annual Euromining Technology Trade Fair. The award recognizes a mining industry operator that demonstrates a high level of environmental protection.



## OUR EMPLOYEES

What sets Agnico Eagle apart from our peers is our determination to develop and invest in our people. We understand that our ability to execute our business strategy is highly dependent on employing the best people and motivating them to reach their potential.

### IN THIS SECTION

#### 2015 PERFORMANCE

##### DEVELOPING OUR "PEOPLE"

Employee Training Approach

##### MAXIMIZING LOCAL EMPLOYMENT

Our Goal is 100 Percent

##### ENGAGING OUR PEOPLE

A Caring Approach

#### 2016 PRIORITIES

##### MAKING IT WORK

Supporting Inuit Employees

##### BUILDING ON OUR SKILLS

Becoming Better miners

##### BUILDING FOR FUTURE GENERATIONS

Students are Welcome to Mining

##### CREATING ROLE MODELS FOR WOMEN IN MINING

Mining: a Great Career for Women

##### AWARDS + CERTIFICATIONS





## 2015 Performance



IN 2015, APPROXIMATELY

# 6,710

PEOPLE WORKED FOR AGNICO EAGLE, EITHER AS EMPLOYEES OR AS CONTRACTORS, AT OUR SITES WORLDWIDE (EXCLUDING CANADIAN MALARTIC).

THIS COMPARES WITH 6,200 PEOPLE IN 2014.

We aim to maintain a safe, healthy and engaging workplace that is based on trust, respect, equality, family and responsibility. To achieve this, we:

- **ensure that no discriminatory conduct** is tolerated in the workplace;
- **provide a fair and non-discriminatory** employee grievance system;
- **value diversity and treat all employees and contractors fairly**, providing equal opportunity at all levels of the organization without bias;
- **employ and promote employees** on the basis of merit;
- **provide** fair and competitive compensation;
- **enforce** a drug- and alcohol-free workplace;
- **maintain the confidentiality** of collected personal and private information about employees;
- **recognize the right of employees** to freedom of association;
- **provide appropriate training** and development opportunities;
- **consult, communicate and provide appropriate support** to employees during their association with Agnico Eagle; and,
- **measure and take specific actions** to continually support and improve the engagement of our workforce.



The quality of our people has always been Agnico Eagle's competitive strength and advantage. It is critical to our future success that, even as we grow and expand our global footprint, we maintain our corporate culture where every person is treated with dignity and respect, and people interact on the basis of collaboration, commitment and dedication to excellence.



DEVELOPING OUR "PEOPLE"

We respect and value our employees because our progress is built on their competence, capacity and engagement. We believe this approach helps us attract and retain the best talent to respond to the technical, operational and reputational challenges we face as we expand worldwide.



We want to ensure our employees have the tools and skills they need to perform their jobs efficiently and safely and to achieve their full potential. We continue to provide training that enhances employees' personal and career development opportunities. We place a particular emphasis on health and safety training, to ensure that our

employees are achieving Agnico Eagle's workplace health and safety standards. Our exploration employees, for example, receive regular first-aid training so they can take appropriate actions in the event of an accident in the field.

Training constitutes a particular challenge for our Fly-In-Fly-Out Meadowbank operation because

employees are only on-site 50% of the time. For this reason, an e-learning platform was developed to allow personnel to receive training even when they are not present at the site. Previously, employees had to complete two full days of training on-site to receive the necessary job-specific training. Now, after completing their three hours

of at-home training, employees are ready to come to work and have a safe and productive shift. In addition to reducing the amount of time each employee is away from the workplace, this change in approach has already saved more than \$2 million annually.



## MAXIMIZING LOCAL EMPLOYMENT

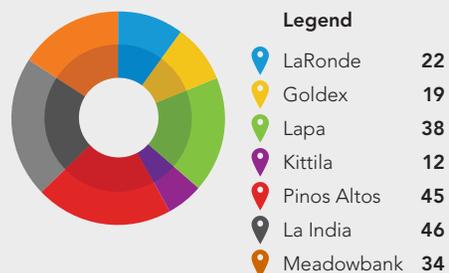
**Our goal is to hire 100% of our workforce, including our management teams, directly from the local region in which each of our global operations is located.**

At Pinos Altos, for example, 100% of the workforce is from Mexico. The majority of people are hired from northern Mexico, with 74% of the workforce at Pinos Altos and 55% at La India coming from the northern states of Chihuahua, Sonora and Sinaloa – most of whom are drawn directly from local communities within a 10-kilometre radius of the mine.

In northern Canada, we remain focused on creating sustainable jobs and careers in mining for the Inuit population. We have developed work readiness programs for new recruits and career path planning programs for our Inuit workforce – a key factor in the training component of the IIBA for the Meliadine project. Approximately 35% of our Meadowbank mine workforce is drawn from the Kivalliq region of Nunavut.

We also made a substantial three-year investment, beginning in 2012, in Mining Matters' Aboriginal Education and Outreach Programs to help demonstrate to young people that there are interesting jobs, careers and a future for them in the North, and that the mining industry can be a key source of those opportunities.

### Average Hours of Training Per Employee



# 31

2015 AVERAGE HOURS PER EMPLOYEE

### Total Workforce by Region



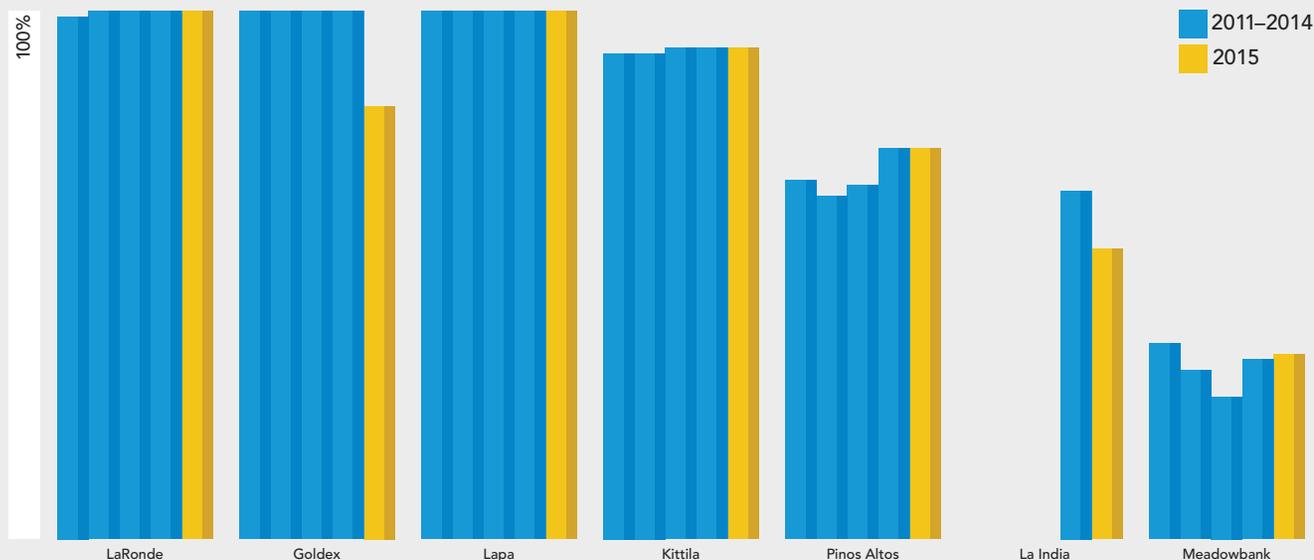
# 6,710\*

2015 TOTAL

\*Excluding Canadian Malartic

### 2015 Workforce Hired from the Local Community

(percent)





## ENGAGING OUR PEOPLE

**Our goal is to employ the best people and motivate them to reach their potential. We understand that having a highly engaged workforce results in better business – that is why one of three pillars of our business strategy is dedicated to developing and investing in our People.**

We actively measure employee engagement levels in each of our operating regions, and we take specific actions to support and improve our engagement scores. In Mexico, for example, we implemented a coaching program to strengthen the capability of our team to engage with internal stakeholders and we have seen a progressive increase in their engagement scores over the past five years.

Wherever possible, we minimize the use of contractors and consultants by filling vacant and newly created positions with our own team of skilled and talented people. At the Lapa Mine, for example, where we are preparing for closure in late 2016, we managed our workforce plan to successfully relocate employees to the other mines and to sustain work for our people. This relocation has started in 2015 and will continue through 2016 as the operation is winding down.

At Goldex, we have now started the implementation of the “Entreprise en santé”, and we are offering a seminar on managing stress.

**We believe the best way to maintain an engaged workforce is to ensure our employees have the opportunity to grow with us as we build toward our 60th year in business.**



## 2016 Priorities

In 2016, to ensure our organization is prepared for further growth, we are enhancing our leadership development program, providing employees with increased opportunities for career development, and expanding training and development opportunities at all levels of our organization.

Our goal is to further develop our leadership team and prepare them to take on increasing responsibility as the size and complexity of our business increases. In 2016, we will advance our formal leadership development and transition plans which focus on succession planning and on identifying our highest potential leadership candidates. We will provide them with exposure to our senior leaders and shareholders, and broaden their skillsets and experience, by giving them roles with increasing and diverse responsibility.

We will continue to advance our People strategy, including our efforts to provide structured development and training opportunities at all levels of the organization, to ensure we can continue to build our business with our own people. We will begin implementation of our People Development Process, a supervisor development pilot program at LaRonde, which will serve as a base for future training, and providing additional tools for managers on how to set objectives and provide performance feedback.



MAKING IT **WORK**

## Our Employees

What sets Agnico Eagle apart from our peers is our determination to develop and invest in our people. We understand that our ability to execute our business strategy is highly dependent on employing the best people and motivating them to reach their potential. People are the foundation on which our future will be built.

**The mining industry plays a leading role in opening up remote areas to socio-economic development. Mining brings with it a wide range of benefits to these regions including jobs, wages, skills training, and long-needed local infrastructure.**

But it can also bring personal challenges. Employees typically work on a Fly-In Fly-Out (FIFO) basis at these remote locations, often working 12 hour shifts for 14 days in a row. For most Nunavut Inuit, the schedule has proven to be particularly disruptive and

stressful to their family life, leading to higher turnover and absenteeism rates.

In 2015, Meadowbank completed the rollout of a pilot program – **Making it Work** – in conjunction with the Kivalliq Mine Training Society (KMTS), to help Inuit couples cope with the impact of FIFO mining on their families. Krystal Mayrand, our Nunavut Superintendent of Human Resources, and her colleague Patrick Roy, Nunavut Training General Supervisor, describe some of the learnings and feedback they gathered to date on the program.

“Over the years, we have invested substantial resources in developing the competencies of our people. But despite our best efforts, we still noticed a lot of absenteeism and turnover in our Inuit workforce at Meadowbank,” says Krystal.

KMTS sat down with our employees’ partners, mainly wives, to better understand the challenges the FIFO lifestyle poses for their families.

Some of the challenges they talked about were:

- Raising children alone for two weeks while your spouse is at work;
- Having to adjust every time your spouse goes away or comes back home;
- Worrying about the partner who is away, and dealing with “gossip rumours” about the site;

- Deciding who manages the family’s money and what it gets spent on;
- The pressure the worker feels onsite, knowing that his partner is at home struggling to cope with all of these issues.

We worked with KMTS to develop a couples-based **Making it Work** program to help address these issues. The program is held onsite over a five-day period, and the sessions are run by Inuk facilitators, an Elder, and in the Inuktitut language. The couples work together on improving their communication, learning how to deal with difficult situations, and sharing their family and financial goals.

According to Patrick, “We delivered three pilot programs in 2015 and we’re still receiving feedback, adjusting content and measuring the overall impact on our turnover and absenteeism rates.”

“But the comments to date have been very encouraging and informally we’re hearing that the families are doing better and feel they have the capacity to resolve any problems that arise in the future,” adds Krystal.

“Another benefit of the program is in developing a more engaged Inuit workforce. People who have gone through **Making it Work** become ambassadors for the program and for Agnico Eagle. They understand the substantial investment the company is making in them, in the north and in the northern workforce. It is a living demonstration of our commitment to the ‘family’ pillar of Agnico Eagle’s five corporate pillars.”



BUILDING ON **OUR SKILLS**

**In April, an impressive 104 miners at Kittila took their skills to the next benchmark by enrolling in a competence-based testing program in order to advance their vocational qualifications.**

“The objective of this program is to bridge mine workers’ educational backgrounds and basic skills,” explains operating engineer Matias Suomela. With this approach, what matters is possessing the skills and competencies required in each profession, irrespective of whether the skills were acquired through work experience, study or other activities.

The significant number of interested miners surprised the organizers who were only expecting up to 30 candidates. They were thrilled when over 70% of Kittila miners expressed interest in this professional learning and development opportunity. No other Finnish mine has ever trained such a large number of employees using Finland’s competence-based qualification system.

The first 16 participants completed the vocational qualification component of the program in April 2015. Overall, it will take approximately two years for all enrolled miners to complete their qualifications.

**Under the current life of mine plan, our Lapa mine is only expected to operate until the fourth quarter of 2016. Lapa has developed a unique and comprehensive closure plan that includes a pro-active plan to re-assign all permanent employees on a progressive basis, based on both their expertise and the needs of our other operations in the region.**

**Our mines are a great learning environment – whether you are a student aspiring to apprentice with us or pursue mining-related studies; or, whether you are a business leader seeking new knowledge and experience.**

- Meadowbank employee Langway Putulik recently became the first Nunavut Land Claims beneficiary to complete his apprenticeship with Agnico Eagle and to obtain a Red Seal endorsement on his Certificate of Qualification (COQ).

Langway became a registered apprentice under the Government of Nunavut's apprenticeship program in the industrial mechanic (millwright) trade in 2011. After completing his apprenticeship, Langway wrote his Red Seal examination and obtained formal endorsement on his COQ in June 2015. The Red Seal Program represents industry's recognition of an interprovincial standard of excellence for the skilled trades. There are currently 55 trades in the Red Seal Program nationwide.

"It is Agnico Eagle's mission to provide opportunities for our entire Inuit workforce to develop new skills and trade certification," says Nunavut's Training General Supervisor, Patrick Roy. "We are very proud of Langway's accomplishment and we hope it will encourage all current and future apprentices to realize their dreams."

Meadowbank now has 17 employees actively participating in the Apprentice program.

- Each year, our Kittila mine employs over 70 summer students as part of its "From School into Action" initiative. The goal is to promote mining as a potential career opportunity for these young students – by exposing them to the numerous

technical, mechanical, administrative and environmental roles available to them at a mine site. In 2015, the mine maintained its hiring levels at 71 summer students, even though the industry has faced difficult economic times.

- Our Meliadine site was honoured to be chosen as one of the host Study Tour visit sites during the Governor General's 2015 Canadian Leadership Conference. Each year, the conference brings together over 200 business leaders to explore the role leaders play in shaping outcomes for their organizations and society as a whole.

The theme of this year's conference was exploring innovation as the key to future prosperity. The Study Tours are not conventional "visits" to factories and organizations – each site is selected because they are viewed as organizations that embrace innovation as a positive and necessary mind-set central to future success and prosperity.

- As a partner of the Research Institute on Mines and Environment, Agnico Eagle supports research focused on environment and tailings management, and also supports training of highly qualified personnel.

In addition to collaborating on student research projects that address industry needs, we encourage students to continue their studies in mining engineering by providing scholarships. In 2015, Agnico Eagle awarded six scholarships to students in the mining engineering program given in partnership with L'École Polytechnique de Montréal and UQAT (Université du Québec en Abitibi-Témiscamingue) – two entrance scholarships and four excellence scholarships, which are awarded to students for excellent performance in the program.



Langway Putulik



## Two women at Agnico Eagle marked significant achievements this year: Louise Grondin received a lifetime achievement award for her efforts in advancing the field of mining and the environment, while Carol Plummer was named to the Top 100 Global Inspirational Women in Mining for 2015.

**Louise Grondin, Senior Vice-President, Environment and Sustainable Development,** was this year's recipient of the Frederick W. Firlotte lifetime achievement award in recognition of her insight, vision, commitment and influence in the field of mining and the environment [in Quebec]. The award was presented at the 4th Symposium on Environment and Mines. Later in the year Louise was also recognized as a "Woman of Impact" for her significant contributions to the Canadian Materials, Metallurgy and Mining field.

A highly respected scientist and engineer, Louise has demonstrated unwavering

commitment to responsible mining. In addition to her technical and scientific contributions Louise has been a member of the Mining Association of Canada (MAC) Board of Directors since 2010; Chaired the Governance Team of the MAC Toward Sustainable Mining (TSM) Initiative since 2013; played a key role in the creation of the UQAT-Polytechnique Research Institute on Mines and Environment (RIME), as well as on the Orientation Committee of the Industrial NSERC Polytechnique-UQAT Chair on Environment and Mine Wastes Management; and, is one of the Top 40 women named by *Women in Mining of Canada* as the most inspiring women at all levels and all functions of the industry.

**Carol Plummer, Vice-President Project Development, Southern Business,** was named one of the Top 100 Global Inspirational Women in Mining for 2015 as part of the Women in Mining, United Kingdom's campaign to highlight the many significant contributions of women in the mining community and also to promote the mining sector as a career choice to women in all professions.

With her selection, Carol joins a group of highly qualified and talented professionals that also includes our colleague Louise Grondin, who was honoured in 2013. Carol is a mining engineer and has a career that spans almost 30 years. She has worked as a labourer, equipment operator, supervisor, engineer and manager and is now heading up new projects for our Southern Business.





### Awards + Certifications

Agnico Eagle Mexico was once again recognized in the “Great Place to Work” program for northwest Mexico region. It achieved a ranking of 4th overall for employers with more than 1,000 employees. The program recognizes companies that facilitate the sharing of employee knowledge and experience to improve both their business and the quality of their workplace. The rankings are established from data compiled annually through employee surveys.





## OUR COMMUNITIES

We act in a socially responsible manner and contribute to the communities in which we operate in order to make a difference in their everyday lives. We are committed to working with our employees and other stakeholders to create growth and prosperity, which allows all stakeholders to benefit from our mining experience.

### IN THIS SECTION

#### 2015 PERFORMANCE

##### INVESTING IN OUR COMMUNITIES

Maximizing Benefits

#### 2016 PRIORITIES

##### BUILDING LOCAL CAPACITY IN OUR COMMUNITIES

Understanding the Priorities

##### BUILDING SOCIAL SUPPORT

Support Employees' Social Commitments

##### BUILDING ON OUR PAST

Recognition Linked to Agnico Eagle History

##### BUILDING RELATIONSHIPS WITH OUR NEIGHBOURS

Open Doors to the Communities

##### BUILDING TRUST AND UNDERSTANDING

Cross-cultural Training

#### AWARDS + CERTIFICATIONS





# 2015 Performance

## COMMUNITY ENGAGEMENT

In 2015, each of our operations updated their stakeholder mapping exercise, which is used to develop site-specific community engagement plans. The main objective of these plans is to engage in a respectful dialogue with key stakeholders. We want our stakeholders to understand our activities and our priorities, but we also want to know what their concerns are so that we can work together toward a common goal of social acceptability.

Social acceptability is a key for all our projects. As early as possible in the project development phase, we want to engage with stakeholders to assess the impacts of the project on social acceptability; and use, in order of preference, an approach of avoiding, reducing or mitigating these impacts. Our exploration teams always assign a person with the responsibility for community relations, irrespective of the size of the project.

During the year, we implemented an Aboriginal Engagement Policy for all of our Canadian operations. The goal of this new Policy is to define the consultation practices and mitigation strategies we will use while engaging with Aboriginal groups impacted by our presence and mineral activities.

During the year, our sites also managed community response mechanisms and participated in Community Liaison Committees. Such mechanisms and committees are now part of our RMMS standard, and we have developed guidelines to help new operations implement these best practices.

**Community Incidents:** In August, a small group of employees and residents organized a road-block at the entrance to the Pinos Altos mine which was peacefully removed after discussions with Pinos Altos management. The Company has reaffirmed its long standing commitment to offer priority hiring preference to qualified local candidates and has recently modified its internal transfer policies to provide increased opportunity for filling skilled positions with on-the-job training for local candidates.

## INVESTING IN OUR COMMUNITIES

Our community investment program continued to target initiatives that enable each of our operating communities to benefit from economic development in their region, even after mining ceases. Our goal is to provide both Agnico Eagle and our host communities with optimum returns on our investments in strategic health, education and capacity-building initiatives. In 2015, we invested almost \$3.4 million in our local communities. Since 2009, Agnico Eagle's community investments have totalled more than \$21 million.

Our operations contribute to the social and economic development of our host communities and countries through taxes paid directly to governments, as well as through:

- Wages and salaries paid to 6,710 employees and contractors worldwide;
- Job creation through our various operations and projects;
- Payments to suppliers of goods and services;
- Indirect job creation and small business development in surrounding communities and towns; and,
- Upgrading of local infrastructure.

## 2016 PRIORITIES

In 2016, we will implement a global Indigenous Peoples Engagement Policy – which will complement our Canadian Aboriginal Engagement Policy – to guide our consultation with Indigenous Peoples in all regions of the world, wherever Agnico Eagle maintains a presence. We believe being responsive to the aspirations of Indigenous People not only contributes to

the success of our sustainability practices, but also builds community support and enhances our reputation as a responsible miner.

In the same spirit, we plan to develop guidelines for acquiring land in order to incorporate best practices and to respect stakeholder interests.



BEFORE  
AFTER

## BUILDING LOCAL CAPACITY IN OUR COMMUNITIES

### Mining companies often operate in remote, rural and developing regions of the world that have high unemployment rates and little infrastructure.

In such circumstances, community relations is conducted at a very grass-roots level, working to address the most pressing local needs – such as keeping children in local schools for as long as possible.

The long-term goal is to build community capacity through support for various educational, social, health, and economic development initiatives which will endure well beyond the life of the mine. According to Gildardo Montenegro, Administrative Manager at La India, the key to effective community relations is listening closely to understand the needs of each community.

*“Every community is different. And because of that, community relations programs must be very different and dynamic too.*

*But the common thread is the need to listen closely to understand each community’s priorities and how we can work together to address them.*

*Over my career I have come to understand that engaging with the community means focusing on what the community needs rather than what your business requires. It means listening closely to their concerns in order to generate a true sense of community belonging.*

*In 2015, we formalized La India’s community relations program. We contacted key people in the community and engaged with them, to develop specific strategies to address local needs.*

*They told us the top community priority is providing a good education to local youth. They wanted to give students who live away from “the big city” the chance to study – in decent conditions – and complete higher levels of education. In conjunction with local leaders and teachers, we developed a strategy and action plan to help make this happen.*

*One of our key projects was the restoration of a school in Matarachi. We developed a*

*project plan with school officials and teachers to fix the building, install new lights and solar energy equipment, and bring in new classroom computers.*

*The result? The teachers tell us that 50% of the students who contemplated leaving have either stayed or come back to the school. This has helped keep families together and avoided generating other social problems in the community.*

*We have also encouraged students to pursue higher education – in 2015 we provided scholarship and financial support to nine local students. We are helping to engage students and keep them occupied in other ways by hosting summer and sports camps; involving them in restoring a local playground; and, establishing cultural, musical and reading programs.*

*While we want to ensure the benefits of mining flow to our operating communities, there are also benefits that flow to the business from strengthening our community relations. The bottom line is that community relations is a business priority for Agnico Eagle. I think that marks us as a different kind of company, a better company.”*



## BUILDING SOCIAL SUPPORT

Our employees take pride in contributing to social causes in their communities. In 2015, we contributed \$5,000 in support of the Val-d’Or Hospital Foundation and one of our employees, Norbert Perron, is heavily involved in the hospital’s fundraising initiative to advance nuclear medicine in the Abitibi region.

Norbert, who is Health and Safety Superintendent at Goldex, is training intensively to ascend Ecuador’s Cayambe peak, which is located in the Andes Mountains, in March of 2016. This adventure, which involves 24 other local participants, is raising funds in support of the Hospital Foundations of Abitibi-Témiscamingue. All donations made to support Norbert will be paid directly to the Val-d’Or Hospital Foundation, as Norbert personally covers all costs related to his training and journey.

Employees at our Meadowbank site showed their support for cancer research by once again supporting the Annual Terry Fox Road Race. This year, runners tackled a 9.2 kilometre and a 5 kilometre race, while walkers participated in a 3.5 kilometre event. Many employees volunteered their time in other ways – including the kitchen staff who made a special dinner for the after-race party, and those who escorted the racers in trucks, helped organize the road closures, drove the buses and took photos, along with our stand-by ERT members.



We have created two awards to recognize the contribution of our past employees and those current employees who now model their exemplary behaviours – the Michel Létourneau award and the Paul Penna award.



**BUILDING ON OUR PAST**

## The Paul Penna Award

The Paul Penna Award is awarded to Agnico Eagle employees who best exemplify the philosophies of our founder. Through community involvement, dedication and hard work, Mr. Penna left an enormous impact on the communities he was part of, and helped change the lives of many people, one person at a time. These awards have been established to ensure that his values continue to play a major role in the identity of Agnico Eagle as a company, as well as allow the legacy of Mr. Penna to live on through the positive initiatives laid forth by our employees.

The 2015 Paul Penna Award was given to Anival Lopez, Human Resources

Superintendent at our Creston Mascota mine in Mexico. Anival was honoured for his work with local youth and the elderly. In particular, his efforts in developing a preparatory school, the College Octavio Paz, Civil Association, were acknowledged for providing teenagers in Chihuahua with an opportunity to pursue higher-level academic schooling. The College has already transformed the lives of more than 300 young people and enabled them to be better prepared to face the future.

Agnico Eagle donated \$10,000 to the community initiative on behalf of Anival. We also donated \$2,500 to the community initiative or charity of choice on behalf of the other four nominees across each of our operating regions.



## The Inaugural Michel Letourneau Award

For nearly thirty years, Michel Letourneau was one of our most enthusiastic and active champions for leadership and innovation in health and safety. Upon his retirement in 2014 as Agnico Eagle's first Corporate Director of Health and Safety, the company chose to honour his significant contributions to our success by creating the Michel Letourneau Award.

Réal Levesque, Mine Captain and Pierre-Olivier Richard, Junior Ventilation

Engineer were the inaugural winners – honoured for their testing and implementation of a new model of flexible ventilation tubing for the exploration ramp at the Goldex mine, one that uses zipped couplings instead of traditional clamps, which has resulted in far less air leakage. As a result, the mine is able to maintain more airflow to the mining face through the 400 meters of ventilation tubing – an improvement of 50%.



**BUILDING RELATIONSHIPS WITH OUR NEIGHBOURS**



**We have an open door policy for both our employees and our neighbours. In 2015, we continued this tradition by hosting Open Houses at our Goldex, Akasaba, Meadowbank and Kittila sites.**

In September, over 150 people attended the Goldex Open House to learn more about the mine operations. The visitors – including neighbours, family members and key stakeholders – first toured underground then returned to surface to visit the mill, the offices and the infirmary.

During the tour of the surface facilities, Goldex employees answered questions and explained the different aspects of mining such as geology, mining methods, and the health, safety and well-being of employees. The biggest hit was the multimedia component of the Open House. Visitors could be photographed in the middle of Agnico Eagle’s mining operations without physically being there through the magic of a green-screen photo technology. They were also able to try out new technology in the form of “Google glasses” which were set up to

display 360-degree images of the Goldex mine, making viewers feel like they were actually walking through the mine. Finally, the visitors also had the privilege of being photographed with a real gold brick worth approximately \$1.5 million.

The Sámi are the original habitants of Lapland. Among the 10,000 remaining Sámi in Lapland northern Finland, the practice of reindeer herding is very prominent. The reindeer sits at the core of the Sámi lifestyle, serving as a source of food, clothing, trade and labour. While the Sámi happily live and work within modern-day Finland, many of them engage in traditional livelihoods, like reindeer herding.

Agnico Eagle Finland employee Juhan-Oula Näkkäljärvi is one such Sámi. Juhan-Oula has almost a decade of mining experience under his belt. He joined Agnico Eagle Finland in 2010, after having gained his professional qualifications as a driller and blaster. But long before that, his family made their living from reindeer herding.

To Juhan-Oula, it’s obvious that reindeer herding is not just a job, but a way of life. “I’m a miner, but more importantly a Sámi.”



**Juhan-Oula Näkkäljärvi**



Around the globe, our employees are active members of their communities, helping to celebrate local festivals, civic pride events and special family days.

For the first time ever, our Kittila mine was invited to participate in the traditional Kittila Summer Market from July 2 to 6 – an annual event that dates back to the 15th century. Fittingly, the theme of this year’s event was gold. Employees set up an information tent in the market and had many visitors stopping by, intrigued by the topic of gold mining in Finland. Kittila also organized an opportunity for people to pan for gold. A facility was built for panning and nuggets were brought from the legendary River Lemmenjoki, famous for its gold diggers.





In the Nunavut communities of Rankin Inlet, Baker Lake and Arviat, the celebrations turned to Family Days throughout the summer months. In Rankin Inlet, the community celebrated with great local live music, an Elvis impersonator, and children's obstacle courses and arts and crafts activities. An unprecedented 2,500 people attended Baker Lake's "Festival by the Lake", with the crowd enjoying face painting, obstacle courses, and Inuit square dancing. The highlight, however, was the opportunity to be whisked away for a hot air balloon ride.





In Mexico, we are helping to engage students by hosting summer and sports camps; involving them in restoring a local playground; and establishing cultural, musical and reading programs.

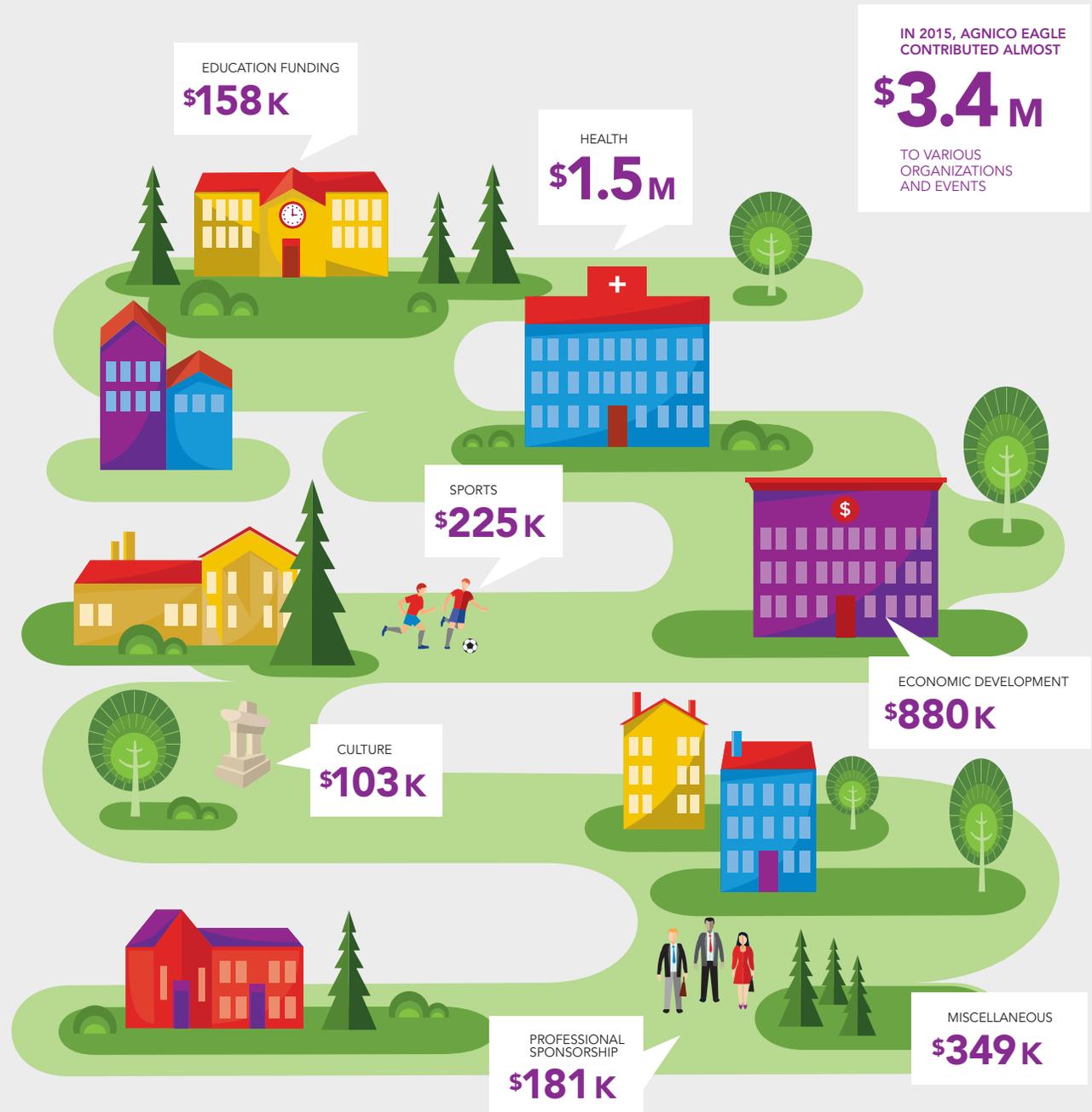
# 2015 Performance: Our Communities

## INVESTING IN OUR COMMUNITIES

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- Upgrading of local infrastructure.





**BUILDING TRUST  
AND UNDERSTANDING**

Meadowbank offers a unique crosscultural training program to its employees – bringing people together and sharing knowledge about the three main cultures that coexist at the site.

During a recent class Tommy Makkigak, an Inuit participant from Rankin Inlet, taught everyone the traditional way of building an igloo. Tommy recently joined the Site Services Department and is one of the few among our Inuit employees who has experience in building igloos whenever he goes hunting or ice fishing.

Igloos have played a big role in Inuit culture and way of life. Previously nomadic, the Inuit moved in small family-sized units, travelling with the seasons in pursuit of their food. And, with snow being such an excellent insulator, igloos provided a safe and warm place to rest during poor weather.

The huge igloo took two days to build in extreme cold weather of minus 50°C, and was an amazing example of Inuit culture brought to life.



### Awards + Certifications

Agnico Eagle Mexico was recognized for the eighth consecutive year by the Chihuahuan business foundation "Fundación del Empresariado Chihuahuense A.C." with an award of distinction for being a "Socially Responsible Company" in 2015.

The award is presented annually by the Mexican Centre for Philanthropy (CEMEFI) and Chihuahua Business Foundation (FECHAC). Agnico Eagle's Diony Campos from Pinos Altos accepted the award which recognizes organizations that have adopted Corporate Social Responsibility practices as a way of doing business and respecting and recognizing the interests of the stakeholders involved in the company's operations.

Empresas chihuahuenses  
al Distintivo ESR 2015



EMPRESA  
SOCIALMENTE  
RESPONSABLE





## ECONOMIC VALUE

We believe the biggest contribution we can make to the wellbeing of the communities in which we operate is through the creation of long-term employment opportunities and the provision of economic development opportunities. Through the wages and benefits we provide to employees, the taxes we pay to all levels of government, our procurement of local goods and services, and our support to indigenous suppliers of goods and services, Agnico Eagle's gold mining activities are building a social and economic legacy for present and future generations.

### IN THIS SECTION

#### 2015 PERFORMANCE

##### GENERATING EMPLOYMENT AND ECONOMIC BENEFITS

Contributions to the economy through wages and benefits

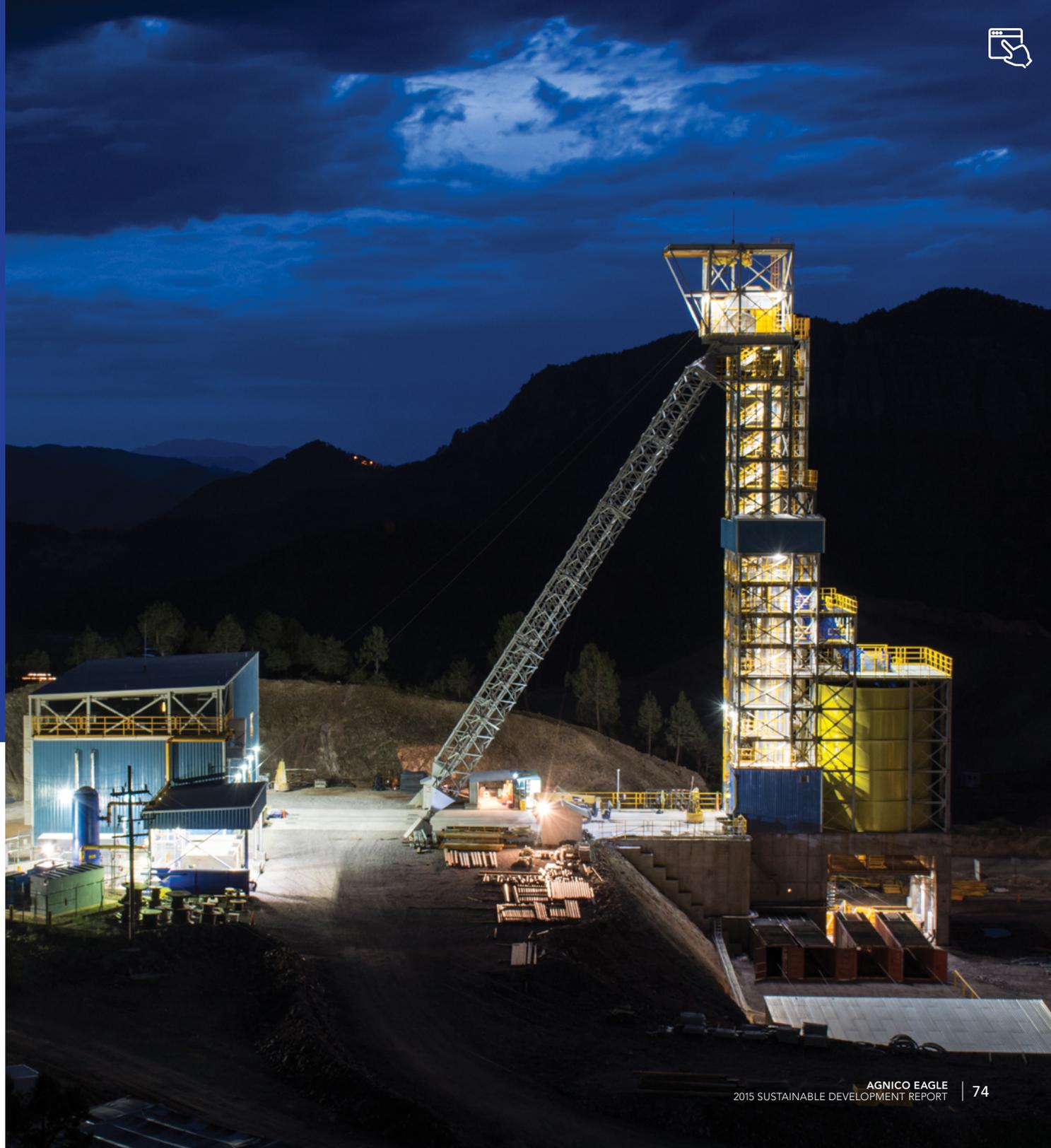
##### TAXES AND ROYALTY PAYMENTS

Disclosure and transparency of payments in taxes, royalties and fees

##### DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

Our 2015 performance

##### PROGRESS THROUGH BETTER UNDERSTANDING BUILDING A LEGACY





# 2015 Performance

In 2015, Agnico Eagle provided over \$323 million in wages and benefits to our global workforce and paid \$283 million in taxes, royalties and fees to all levels of government (including Indigenous groups). Our mines spent just over \$535 million on the procurement of local goods and services – with local procurement representing an average of 57% of our total procurement spending in 2015. We recorded net income of \$24.6 million, and for the fifth straight year reported record annual gold production.

## GENERATING EMPLOYMENT AND ECONOMIC BENEFITS

In 2015, Agnico Eagle paid \$323 million in global employee compensation. Through the payment of wages and benefits, we contributed approximately \$255 million to the economy of Canada, \$30 million to the economy of Finland, and approximately \$38 million to the economy of the Chihuahua and Sonora States in Mexico.

Although we do not measure the direct and indirect economic impact of employee wage spending on local goods and services, it is an important factor in Agnico Eagle's overall economic contributions to our host communities.

## TAXES AND ROYALTY PAYMENTS

In 2014, the Canadian mining industry adopted disclosure of payments to government as best practice. Agnico Eagle is a strong supporter of this initiative, which is in direct response to increased public demand for more transparency. We will continue to increase our level of disclosure on tax payments to governments in order to highlight our economic contribution to public finances. The Canadian *Extractive Sector Transparency Measures Act*, enacted on December 16, 2014, and brought into force on June 1, 2015, entrenched this initiative in the Canadian regulatory requirements.

In 2015, we made payments in taxes, royalties and fees to governments at all levels (including Indigenous groups) totaling \$283 million. We contributed approximately \$129 million in taxes and royalties to Quebec, Canada (since 2010, we have paid a total of \$138 million in royalties to Quebec); \$48 million in taxes, royalties, fees and compensation payments in Nunavut, Canada (both to government and to Inuit organizations representing Inuit beneficiaries under the Nunavut Land Claim Agreement); \$26 million in taxes and royalties to Finland; and, approximately \$61 million in taxes and royalties to Mexico. These payments to governments comprised 8.4% of our gross revenue in 2015.



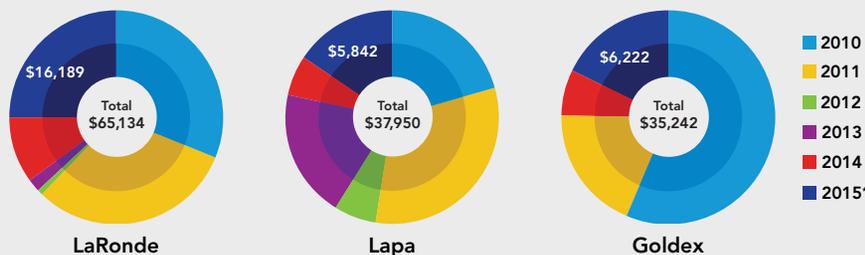


# 2015 Performance

**\$138**  
MILLION

IN ROYALTIES PAID TO THE GOVERNMENT OF QUEBEC SINCE 2010

Quebec Royalties Paid on a Mine-by-Mine Basis since 2010 (\$'000s)

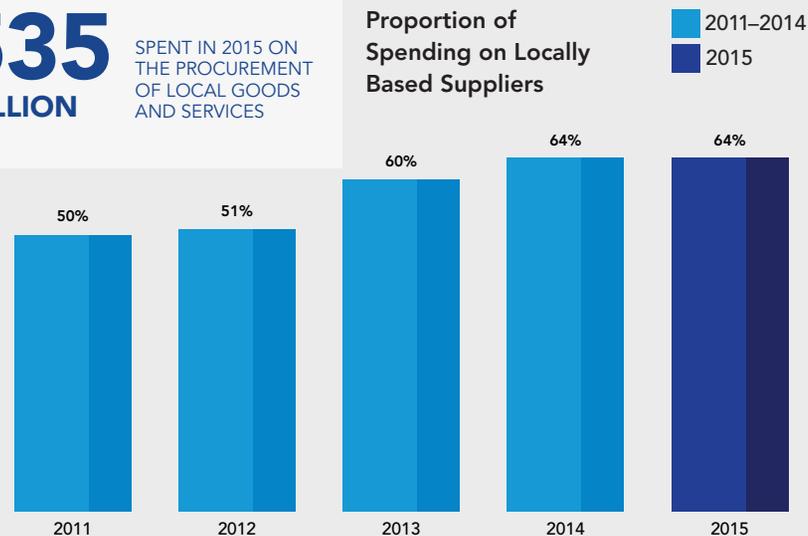


\* 2015 Quebec royalties are estimated as the final amounts are not completed until June 2016.

**\$535**  
MILLION

SPENT IN 2015 ON THE PROCUREMENT OF LOCAL GOODS AND SERVICES

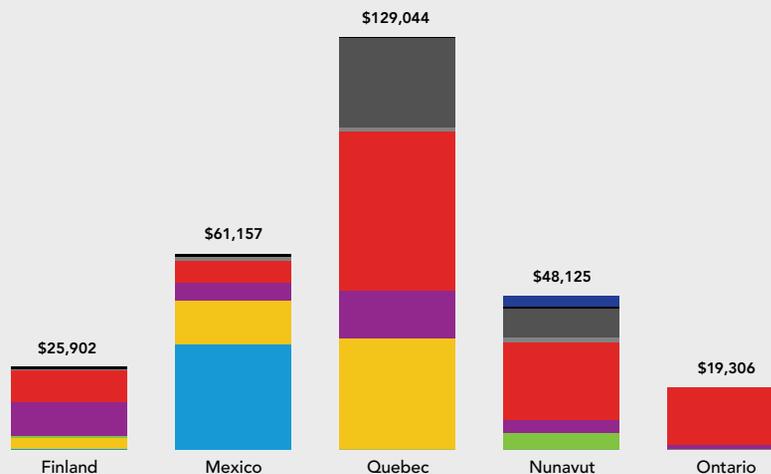
Proportion of Spending on Locally Based Suppliers



## 2015 Payments to Governments

(\$'000s)

**\$283**  
MILLION IN PAYMENTS



### Legend

- 📍 Current tax
- 📍 Government Royalties and Mining Taxes
- 📍 Royalties paid to land owners
- 📍 Payroll taxes (paid by employer)
- 📍 Payroll taxes (paid by employee)
- 📍 Municipal taxes
- 📍 Sales taxes (non-refundable)
- 📍 Rent (Mining leases and claims)
- 📍 Other



# 2015 Performance

## Direct Economic Value Generated and Distributed

(thousands of USD)

a) Revenues	\$ 1,985,432	e) Payments to government by country/region		Total payments to government by country/region	
<b>ECONOMIC VALUE DISTRIBUTED</b>		i) Current tax		Finland	\$ 25,902
b) Operating costs		Finland	\$ 175	Mexico	61,157
Exploration	\$ 110,353	Mexico	32,968	Quebec	129,044
Operations	995,295	Quebec	–	Nunavut	48,125
<b>TOTAL</b>	<b>\$ 1,105,648</b>	Nunavut	–	Head Office	19,306
		<b>TOTAL</b>	<b>\$ 33,143</b>	<b>TOTAL</b>	<b>\$ 283,534</b>
c) Employee wages and benefits		ii) Government royalties and mining taxes		f) Community investments –	
Kittila	\$ 29,986	Finland	\$ 3,374	voluntary contributions and	
Pinos Altos	29,167	Mexico	13,404	community investments	\$ 3,368
La India	8,713	Quebec	34,565	<b>ECONOMIC VALUE RETAINED</b>	
Lapa	17,746	Nunavut	–	g) Retained earnings (Deficit)	\$ (823,734)
Goldex	25,637	<b>TOTAL</b>	<b>\$ 51,343</b>		
LaRonde	78,964	iii) Payroll taxes (paid by employer)			
Regional	11,920	Finland	\$ 10,784		
Meadowbank	71,508	Mexico	5,743		
Meliadine	2,972	Quebec	15,066		
Exploration	3,095	Nunavut	3,822		
Head Office	42,767	Head office	\$1,430		
<b>TOTAL</b>	<b>\$ 322,475</b>	<b>TOTAL</b>	<b>\$ 36,845</b>		
d) Payments to providers of capital	\$ 160,097	iv) Payroll taxes (paid by employees)			
		Finland	\$ 9,893		
		Mexico	6,801		
		Quebec	49,820		
		Nunavut	24,403		
		Head office	17,876		
		<b>TOTAL</b>	<b>\$ 108,794</b>		
		v) Municipal taxes			
		Finland	\$ 273		
		Mexico	\$ 1,271		
		Quebec	\$ 1,233		
		Nunavut	\$ 1,440		
		<b>TOTAL</b>	<b>\$ 4,217</b>		
		vi) Rent (mining leases and claims)			
		Finland	\$ 875		
		Mexico	\$ 970		
		Quebec	290		
		Nunavut	535		
		<b>TOTAL</b>	<b>\$ 2,670</b>		



# Progress Through Better Understanding

The mining industry has negotiated numerous IBAs with First Nations – typically addressing the protection of Indigenous culture and the environment; and providing for financial compensation, and Indigenous training, employment and contracting. But what has become clear over the years is that building trust, transparency and understanding are key to building a better future for First Nations.

**Larry Connell, Agnico Eagle’s Director of Regulatory Affairs, was part of a team that successfully concluded negotiations in 2015 with the Kivalliq Inuit Association (KIA) on the Inuit Impact Benefit Agreement (IIBA) for the Meliadine gold project. Here, Larry reflects on the new mindset both parties brought to the negotiating table.**

“This Agreement is a substantial step forward in thinking for all of us. It reflects what both parties bring to the table – Agnico brings the mining expertise, while the Inuit bring the land and the mineral rights. It benefits both parties, but only if Meliadine is developed into a mine and actually generates revenue. If Meliadine does move forward, it could potentially generate over \$80 million in cash flow for the KIA over the life of the mine.

The IIBA also outlines a formal process to set an annual Inuit employment goal target, reflecting current employment needs and

market conditions in the region. We have an overarching objective of achieving a 50% Inuit workforce participation rate across all of our Nunavut operations. It will require significant effort and resources to make that happen – for example, over \$6 million a year in training programs, and a determination to eliminate barriers to entering or staying in the workforce – but we’re challenging ourselves to step up and make it happen.

We’re also giving a hand up to local businesses who want to compete for contracts at Meliadine. We’ve established a 15-point preference program that awards local businesses preference based on, for example, Inuit ownership, Inuit profit participation, and the level of Inuit participation in the contractor’s workforce.

Our success in concluding these negotiations comes from hard-won insights we have gained from the Meadowbank IIBA and eight years of working in the North.

We’ve learned that transparency helps build trust and it is best to put everything on the table during negotiations. That means integrating the Inuit more fully into our business and into the tough realities of mining in the North. In the past, IIBA agreements have been secret documents but the Meliadine IIBA is publicly available to anyone.

Our negotiating team included the senior mine operating staff who will have to deliver on the commitments contained in the Agreement. This helps build personal relationships and trust, and hopefully long-term partnerships with the Inuit. You’ve got to develop those day-to-day relationships, because they will pay off in the end.

We are proud that our Meadowbank operations have already attained a 35% Inuit workforce participation rate, generating \$20 million in annual wage income for KIA communities. And that 40% of our local purchases go to Inuit companies. The Meliadine Agreement is another step forward in sharing the benefits of economic development with the region.

By achieving our Inuit training and employment goals and helping to break down barriers to Inuit participation in the workforce – be that language skills, childcare issues, or helping to improve educational outcomes in Nunavut – we are helping our employees build a solid future for themselves and their families. And a solid foundation for the Inuit in Nunavut.”



With the signing of the Meliadine IIBA, the first financial payment from Agnico Eagle to KIA totaling \$1.5 million was made during the signing ceremony. Agnico Eagle Chair Jim Nasso (right) presents KIA president David Ningeongan with the cheque.



# Building a Legacy

Cobalt is the town that helped launch and build Agnico Eagle. In 2015, we honoured that heritage by pledging \$1 million to the "Historic Cobalt Legacy Fund."

The Historic Cobalt Legacy Fund was established in 2014 as an endowment fund aimed at preserving Cobalt's historical past and cultural heritage. Revenues from Agnico Eagle's gift of \$1 million will be designated to support the Cobalt Public Library along with providing annual operating grants to various cultural and heritage organizations that include the Cobalt Mining Museum, the Bunker Military Museum of Cobalt, the Classic Theatre of Cobalt and the Cobalt Heritage Silver Trail.

It was in 1953 that the Cobalt Consolidated Mining Company was founded and in 1957 became Agnico Mines Limited. Between 1957 and 1989, Agnico Eagle produced over 26 million ounces of silver from our mining activities in the region.

Over 40 former employees joined the June 4th legacy gift celebrations, representing, according to CEO Sean Boyd, "all the men and women whose commitment, perseverance and spirit helped to transform Agnico Eagle into a leading international gold mining company and who will continue to benefit from the preservation of these important cultural and community organizations."





## Building a Legacy (cont'd)

Agnico Eagle recently made a major contribution to support the building of a new public square in the city of Val-d'Or. A unique gathering spot, Agnico Eagle Place will help contribute to the revitalization of the city's downtown area, as well as enhance the quality of community life by promoting and holding different public activities and events.



The square will include a public market, which will host regional bio-food companies and farmers markets throughout the growing season.

Commenting on Agnico Eagle's \$200,000 contribution toward this legacy project, Christian Provencher our Vice-President Canada said, "Our company is determined to work with our host communities to have a positive and significant impact, and to leave a legacy for present and future generations."



# DATA AND APPENDICES

## IN THIS SECTION

### GRI TABLES

#### CORPORATE CHARTERS

Corporate Governance Committee  
Audit Committee  
Compensation Committee  
Health, Safety, Environment and Sustainable Development Committee

#### WORLD GOLD COUNCIL

Conflict Gold Standards Certification Report

#### EY INDEPENDENT LIMITED ASSURANCE REPORT



**AGNICO EAGLE**



# AEM Specific & Global Reporting Initiative (GRI)

## Performance Indicator Tables for 2015

### Aspect: AEM Specific Organizational Indicators

AEM3 – Number of persons that received the Health, Safety and Environment Induction Training in 2015	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration	TOTAL
	380	711	229	1,595	1,228	229	699	501	529	<b>4,506</b>

AEM4 – Number of formal safety meetings with employees carried out in 2015	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration	TOTAL
	764	199	90	169	70	306	1,020	281	1,293	<b>4,023</b>

AEM5 – Number of accident/incident analyses carried out in 2015 involving employees	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration	TOTAL
	45	34	12	86	97	94	601	164	15	<b>965</b>

AEM – Production by metals	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	TOTAL
Gold (oz)	267,921	115,426	90,967	177,374	247,677	104,362	381,804	<b>1,385,531</b>
Silver (oz)	915,720	1,414	3,672	10,524	2,543,010	262,753	221,131	<b>3,958,224</b>
Zinc (tonnes)	3,501	–	–	–	–	–	–	<b>3,501</b>
Copper (tonnes)	4,941	–	–	–	–	–	–	<b>4,941</b>


**G4 Organization Indicators**

G4-10 – TOTAL workforce by employment type, employment contract, and region	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration – Canada & USA	Exploration Finland	Exploration Mexico	Administration (Head Office and Regional)	TOTAL
<b>TOTAL number of employees (AEM, Contractors, Full Time + Temporary) working at this mine site in 2015 (Q4)</b>	<b>1,090</b>	<b>416</b>	<b>252</b>	<b>653</b>	<b>1,495</b>	<b>488</b>	<b>1,100</b>	<b>290</b>	<b>67</b>	<b>132</b>	<b>444</b>	<b>283</b>	<b>6,710</b>
<b>TOTAL number of AEM employees working at this location in 2015 (Q4)</b>	<b>850</b>	<b>295</b>	<b>167</b>	<b>411</b>	<b>1,320</b>	<b>421</b>	<b>809</b>	<b>40</b>	<b>43</b>	<b>11</b>	<b>346</b>	<b>283</b>	<b>4,996</b>
Male	793	267	156	358	1,118	358	670	31	N/A	N/A	N/A	184	
Female	57	20	7	55	170	63	139	9	N/A	N/A	N/A	91	
<b>AEM – Full Time employees (Q4)</b>	<b>848</b>	<b>283</b>	<b>161</b>	<b>370</b>	<b>1,251</b>	<b>366</b>	<b>703</b>	<b>17</b>	<b>26</b>	<b>10</b>	<b>55</b>	<b>279</b>	<b>4,369</b>
Male	791	265	155	322	1,071	313	604	13	N/A	N/A	N/A	182	
Female	57	18	6	48	150	53	99	4	N/A	N/A	N/A	89	
<b>AEM – Temporary &amp; Student employees (Q4)</b>	<b>2</b>	<b>12</b>	<b>6</b>	<b>41</b>	<b>69</b>	<b>55</b>	<b>106</b>	<b>23</b>	<b>17</b>	<b>1</b>	<b>291</b>	<b>4</b>	<b>627</b>
Male	2	8	4	36	47	45	66	18	N/A	N/A	N/A	2	
Female	–	4	2	7	20	10	40	5	N/A	N/A	N/A	2	
<b>TOTAL Number of Contractors</b>	<b>240</b>	<b>121</b>	<b>85</b>	<b>242</b>	<b>175</b>	<b>67</b>	<b>291</b>	<b>250</b>	<b>24</b>	<b>121</b>	<b>98</b>	<b>–</b>	<b>1,714</b>



## GRI Economic Performance Indicators

### Aspect: Economic Performance

EC1 – Direct economic value generated and distributed (thousands USD)	2015 TOTAL	
<b>Direct economic value generated</b>		
<b>a) Revenues</b>		\$1,985,432
<b>Economic value distributed</b>		
<b>b) Operating Costs</b>		
	Exploration	\$110,353
	Operations	\$995,295
	<b>TOTAL</b>	<b>\$1,105,648</b>
<b>c) Employee Wages and Benefits</b>		
	Kittila	\$29,986
	Pinos	\$29,167
	La India	\$8,713
	Lapa	\$17,723
	Goldex	\$25,637
	LaRonde	\$78,964
	Regional	\$11,920
	Meadowbank	\$71,508
	Meliadine	\$2,972
	Exploration	\$3,095
	Head Office	\$42,767
	<b>TOTAL</b>	<b>\$322,452</b>
<b>d) Payments to Providers of Capital</b>	<b>TOTAL</b>	<b>\$160,097</b>
Interest, dividends, capitalized interest & capital leases		
<b>e) Payments to Government by Country</b>		
<b>i) Current Tax</b>		
	Kittila	\$175
	Mexico	\$32,968
	Quebec	
	Nunavut	
	<b>TOTAL</b>	<b>\$33,143</b>



EC1 – Direct economic value generated and distributed (thousands USD)	2015 TOTAL	
<b>ii) Government Royalties and Mining taxes</b>		
	Finland	\$3,374
	Mexico	\$13,404
	Quebec	\$34,565 *
	Nunavut	
	<b>TOTAL</b>	<b>\$51,343</b>
<b>iii) Royalties Paid to Land Owners</b>		
	Finland	\$528
	Mexico	
	Quebec	
	Nunavut	\$5,161
	<b>TOTAL</b>	<b>\$5,689</b>
<b>iv) Payroll Taxes (paid by employer)</b>		
	Finland	\$10,784
	Mexico	\$5,743
	Quebec	\$15,066
	Nunavut	\$3,822
	Head Office	\$1,430
	<b>TOTAL</b>	<b>\$36,845</b>
<b>v) Payroll Taxes (paid by employee)</b>		
	Finland	\$9,893
	Mexico	\$6,801
	Quebec	\$49,820
	Nunavut	\$24,403
	Head Office	\$17,876
	<b>TOTAL</b>	<b>\$108,793</b>
<b>vi) Municipal Taxes</b>		
	Finland	\$273
	Mexico	\$1,271
	Quebec	\$1,233
	Nunavut	\$1,440
	<b>TOTAL</b>	<b>\$4,217</b>

\* Quebec Government Royalties for 2015 (\$34565) are estimated as the final amounts are not calculated until June 2016



EC1 – Direct economic value generated and distributed (thousands USD)	2015 TOTAL	
<b>vii) Sales Taxes (Non-refundable)</b>		
	Finland	
	Mexico	
	Quebec	\$28,069
	Nunavut	\$9,230
	<b>TOTAL</b>	<b>\$37,299</b>
<b>viii) Rent (Mining leases and claims)</b>		
	Finland	\$875
	Mexico	\$970
	Quebec	\$290
	Nunavut	\$535
	<b>TOTAL</b>	<b>\$2,670</b>
<b>Additional Payments to Government</b>		
	Finland	
	Mexico	
	Quebec	
	Nunavut (Kivalliq Inuit Association)	\$3,531
<b>Total Payments to Government by Country</b>		
	Finland	\$25,902
	Mexico	\$61,157
	Quebec	\$129,044
	Nunavut	\$48,125
	Head office	\$19,306
	<b>TOTAL</b>	<b>\$283,534</b>
<b>f) Community Investments – Voluntary Contributions and Community Investments</b>		<b>\$3,368</b>
<b>h) Retained Earnings (Deficit)</b>		<b>\$(823,734)</b>



AEM – Investments (pipeline)	Total Exploration and Development Investment 2015
Canada	\$43,606,877
Mexico	\$22,331,656
Finland	\$7,580,968
USA	\$2,190,242
Admin and Project Evaluation	\$12,309,396
Corporate Development	\$22,333,493
<b>TOTAL</b>	<b>\$110,352,632</b>

### EC2 – Financial implications and other risks and opportunities for the organization’s activities due to climate change

There is a large consensus in the scientific community that continued emission of greenhouse gases will cause further warming and long-lasting changes in all components of the climate system. Surface temperatures are projected to rise over the 21st century under all assessed emission scenarios. It is therefore believed that heat waves will occur more often and last longer, and that extreme precipitation events will be more intense and frequent in many regions.

The main risks to AEM’s operations would be related to the following consequences of climate change:

- Water scarcity: industrial use of water, including for mining, will not be given priority.

In some regions of Mexico where we operate, water resources are already protected for human consumption. We have 3 heap leach operations in Mexico which have a very high “evaporative potential”. In an even larger water scarcity context, heap leach operation may need to be further optimized to reduce evaporation rate.

- Rising temperatures will change the depth of the active layer in permafrost environment. At Meadowbank, our closure strategy is to add a layer acting as a thermal cover of non acid generating waste rock over acid generating tailings and waste rock. This cover is intended to allow these materials to progressively integrate in the permafrost. The effect of rising temperature may result in a deeper active layer (that thaws on an annual basis), requiring an increase of the thickness of the waste rock thermal cover.
- More frequent and severe storm events: leading to higher risk of uncontrolled discharge of water and possibly tailings to the environment from our tailings storage facilities and water basins either through existing spillways or following dam overtopping. This will require that our spillways and water storage strategy are adapted to these changing conditions. It is clear that in the context of risk reduction we should minimize water retaining dams in the long term. At Pinos Altos we are going to put the filtered tailings in a depleted pit. At Kittila, we are also considering using a depleted pit for future tailings management.

### EC3 – Coverage of the organization’s defined benefit plan obligations

100% – AEM’s defined benefit plan obligations are fully funded.

EC4 – Financial assistance received from government	LaRonde	Goldex	Lapa	Kittila	Pinos Altos (Pesos)	La India	Meadowbank	Meliadine	Exploration
Financial assistance received from government	None	None	None	1,310,943 USD – Energy Investment Support for Autoclave Heat Recovery	None	None	1) Nunavut Fuel Tax Rebate under Development Partnership Agreement 2) AEM receives government level training funds for Inuit from the Kivalliq Mine Training Society (KMTS) Totalling about \$1,098,000		None



Aspect: Market Performance

EC5 – Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation (all amounts are represented in local currencies)	LaRonde (\$CAD)	Goldex (\$CAD)	Lapa (\$CAD)	Kittila (Euros)	Pinos Altos (Pesos)	La India (Pesos)	Meadowbank (\$CAD)	Meliadine (\$CAD)	Exploration*
A) Male starting entry level wage at this mine in 2015 (per hr)	30.80	32.84	30.80	18.50	22.00	36.59	21.29	21.29	N/A
B) Female starting entry level wage at this mine in 2015 (per hr)	30.80	32.84	30.80	18.50	22.00	31.45	21.29	21.29	N/A
C) What was the local minimum wage in the jurisdiction in which the mine is located?	10.55	10.55	10.55	18.48	9.00	8.75	11.00	11.00	N/A
The ratio of the male’s entry level wage to the local minimum wage = A/C	2.9	3.1	2.9	1.0	2.4	4.2	1.9	1.9	N/A
The ratio of the female’s entry level wage to the local minimum wage = B/C	2.9	3.1	2.9	1.0	2.4	3.6	1.9	1.9	N/A

\*For Exploration this is not applicable as the wages vary from region to region.

EC6 – Proportion of employees hired from the local community at locations of significant operations	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Exploration	Average
Proportion of the mine workforce (%) that is hired from the local region in which the mine is located, such as Northern Quebec for the Abitibi, Chihuahua State for Pinos Altos, Sonora State for La India, Lapland for Kittila, Nunavut for Meadowbank	100%	82%	100%	93%	74%	55%	35%	N/A	80%
Proportion of the mine management team (%) that is hired from the local region in which the mine is located, such as Northern Quebec for the Abitibi, Chihuahua State for Pinos Altos, Sonora State for La India, Lapland for Kittila, Nunavut for Meadowbank	100%	100%	100%	50%	72%	90%	0%	N/A	77%

This indicator is not applicable for the Exploration program, as the location of the Exploration office frequently is different than the exploration-site itself. This indicator is calculated using the total headcount of employees



**EC7 – Development and impact of infrastructure investments and services supported**

LaRonde	
GOLDEX	Every year AEM gives to the palliative care houses in Abitibi (Amos, Val D’Or and Rouyn)
LAPA	
KITTILA	None
PINOS ALTOS	Support to upgrading of school infrastructure in the villages around Pinos Altos
LA INDIA	Upgrading high school in Matarchi
MEADOWBANK	
MELIADINE	Continued Cell Service in Baker Lake would not be there if we did not develop this project

**EC8 – Significant indirect economic impacts, including the extent of impacts**

The Kittila mine currently is the biggest employer in Finland north of the Arctic Circle. Located close to a ski resort, the Kittila area’s local economy was almost exclusively dependent on the busy winter months, and most businesses shut down during the summer. AEM has provided a significant number of year-round employment opportunities, and increased overall level of economic activity in the area.

Agnico Eagle has also brought economic stimulus to the areas around our Pinos Altos mine (in Chihuahua State) and our La India mine (in Sonora State). In the Abitibi, Agnico Eagle is the largest private employer with our three mines and our 50% owned Canadian Malartic Mine. In the Kivalliq region of Nunavut, Agnico Eagle is the largest private employer of Inuit people and is using Northern suppliers and contractors. At all our operations, Agnico Eagle is a substantial economic contributor both directly through employment and local purchasing, and indirectly through the ‘multiplier effect’ stimulating employment in goods and services industries and improving the quality of life in the local communities around the mine.

**Aspect: Procurement Practices**

<b>EC9 – Proportion of spending on locally based suppliers at significant locations of operation</b>	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine
Proportion of mine spending (%) on supplies that goes to local suppliers – where local is defined as the geographic or economic region in which the mine is located, such as Northern Quebec for the Abitibi, Chihuahua State for Pinos Altos, Sonora State for La India, Lapland for Kittila, Nunavut for Meadowbank	68%	72%	81%	27%	90%	96%	41%	35%
Total Purchases for division in USD currency	\$187,804,459.24	\$87,955,682.80	\$35,462,943.88	\$176,630,017.09	\$132,037,961.10	\$30,236,869.00	\$223,952,439.97	\$60,219,096.67
Total Purchases for division from the Local region in USD currency	\$127,650,236.00	\$63,645,685.00	\$28,880,082.00	\$52,845,448.00	\$118,834,165.00	\$29,027,394.70	\$92,856,600.00	\$21,324,235.00
Total Purchases for division from the Local region in local currency	CAD 163,028,786.40	CAD 81,285,229.61	CAD 36,884,262.43	EUR 47,620,137.84	MXN 1,883,747,301.00	MXN 460,139,358.00	CAD 118,592,015.63	CAD 27,234,295.25



AEM6 – Summary of Nunavut Expenditures for 2015 (CAD)	Meadowbank	Meliadine	Total
Total Expenditures	\$286,390,380.24	\$77,008,180.82	<b>\$363,398,561.06</b>
NTI Registered	\$115,471,357.73	\$34,105,562.93	<b>\$149,576,920.66</b>
Nunavut Based	\$118,592,015.63	\$27,234,295.25	<b>\$145,826,310.88</b>
Northern Based	\$120,581,731.35	\$44,879,506.08	<b>\$165,461,237.43</b>
Baker Lake Based	\$26,744,206.85	\$955,078.92	<b>\$27,699,285.77</b>
Rankin Inlet Based	\$76,586,896.07	\$19,297,780.47	<b>\$95,884,676.54</b>
Kivalliq	\$104,697,182.01	\$20,637,276.11	<b>\$125,334,458.12</b>

## GRI Environment Performance Indicators

### Aspect: Materials

EN1 – Materials Used by Weight and Volume	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Total
Tonnes of Ore Milled	2,257,471	2,408,739	602,476	1,484,655	4,123,999	5,354,763	4,136,970	N/A	<b>20,369,073</b>
Tonnes of Waste Rock Mined	788,301	283,737	64,886	1,240,418	15,944,608	5,803,686	32,583,433	1,265	<b>56,710,334</b>

\* The Pinos Altos tonnage information includes the Mascota site

EN2 – Percentage of Materials used that are recycled input materials	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Total
Percentage of materials used that are recycled input material	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	


**Aspect: Energy**

EN3 – Energy Consumption within the organization	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration	Total
Diesel fuel for power generation (L)	–	–	–	–	122,574	4,504,766	34,114,840	2,159,862	265,555	<b>41,167,597</b>
Diesel fuel for mining equipment (L)	5,020,946	2,709,345	1,578,903	180,980	17,365,307	9,140,670	32,053,787	527,590	705,202	<b>69,282,730</b>
Diesel fuel for other (L)	–	–	–	–	299,846	–	–	1,081,081	132,512	<b>1,513,439</b>
Diesel fuel for heated mine air (L)	–	–	–	647,250	–	–	–	–	–	<b>647,250</b>
Natural gas for heated mine air (m <sup>3</sup> )	4,659,538	2,003,415	1,881,651	–	–	–	–	–	–	<b>8,544,604</b>
Natural gas for heating buildings and air compressors (m <sup>3</sup> )	3,297,751	–	–	–	–	–	–	–	–	<b>3,297,751</b>
Gasoline (L)	96,642	42,473	4,456	–	–	507,422	34,784	9,942.50	–	<b>695,720</b>
Aviation fuel (L)	–	–	–	–	48,000	31,681	1,458,533	43,558	851,725	<b>2,433,497</b>
Propane (L)	–	–	–	3,689	–	–	5,615	–	–	<b>9,304</b>
Other (LPG)	–	–	–	–	561,934	170	–	–	–	<b>562,104</b>
Electricity purchased from an outside Utility (kWh)	402,298,155	134,915,573	51,129,809	194,760,626	117,549,633	–	–	–	–	<b>900,653,796</b>
<b>TOTAL ENERGY (GJ)</b>	<b>1,935,938</b>	<b>665,081</b>	<b>315,348</b>	<b>811,000</b>	<b>1,121,374</b>	<b>595,839</b>	<b>3,133,823</b>			<b>8,578,403</b>

EN4 – Energy Consumption Outside of the Organization	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration	Total
Currently the only energy consumption outside the organization that is recorded is the aviation fuel used to transport our employees to Nunavut and Mexico.										

EN5 – Energy Intensity	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration	Total
Energy per tonne processed (GJ/t)	0.86	0.28	0.52	0.55	0.27	0.11	0.76	N/A	N/A	



EN6 – Reduction of Energy Consumption		Estimate of the amount of energy saved over the past year
	Initiative	Amount Reduced/Saved
LaRonde	Reduction of the heat requirement of the mine air intake (in m <sup>3</sup> of natural gas)	1,000,000
Goldex	In the designing phase of the installation of a railveyor to transport ore for the Deep Zone which will use electricity instead of fuel	
Lapa	Automation of the u/g ventilation (2015) (ongoing)	
	Stopped water treatment for ammonia in December 2015. Over the next winter period (December 2015 to March 2016) this will save over 250,000m <sup>3</sup> of natural gas	64,000m <sup>3</sup> of natural gas in December
	Stoppage of water treatment will also reduce electricity use as 4 motors have stopped	
Kittila	District heating system was built to utilize the waste heat of the mill. Number of different operations have been connected to the district heating system, but no major energy savings were achieved last year.	
Pinos Altos	Replacement of fluorescent lamps with LED lamps in offices (kWh )	1,332 kWh
	Improvements for diesel consumption of 777 trucks	336,900 L of diesel
La India	Electricity power line saved diesel fuel consumption	139,723 L of diesel
	Fuel additive that saved diesel fuel consumption	56,385 L of diesel
Meadowbank	Generator efficiency improvement with new operation matrix at the Power House	
	Replace electrical heaters by glycol heaters	Estimated \$500K in savings costs
	Replace fuel heaters (frost fitter) by glycol heaters	
	Install an automatic system to follow our fuel consumption “fuel tracking system”, (not completed yet)	
Meliadine	New generator and heat recovery for the portal area – 2 work places (kW)	350,400 kW
	Reduce size of the heater in the STP (35 to 15) (kW)	105,120 kW

**EN7 – Reductions in Energy Requirements of Products and Services**

We are not currently requesting data from our suppliers on their energy consumption to produce the goods that are used at the mine. Our contractors are subjected to the same energy management as our employees at the mine. In 2015, we have adopted a code of conduct for our suppliers, where they are asked to actively manage any environmental risks due to their activities. This is taken to include emissions from energy use.


**Aspect: Water**

EN8 – Total Water withdrawal by source	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration (Eastern Canada)	Total
1) Total amount of fresh water pumped by AEM from a lake, river, stream, wetland and used at this minesite (m <sup>3</sup> )	1,009,134	1,139,875	254,951	1,381,693	–	–	811,806	11,960	34,538	<b>4,643,957</b>
2) Total amount of groundwater (well water) pumped by AEM at this minesite (m <sup>3</sup> )	4,326	–	2,276	54,059	702,492	238,665	–	–	–	<b>1,001,818</b>
3) Total amount of rain water (and snowmelt) collected directly, stored and used by AEM at this minesite (m <sup>3</sup> )	–	–	–	–	931,129	17,816	–	–	–	<b>948,945</b>
4) Total amount of municipal water (water taken from a town system) used by AEM at this minesite (m <sup>3</sup> )	–	3,046	–	–	–	–	–	–	–	<b>3,046</b>
(1+2+3+4) Total volume of all fresh water used for all mine uses (m <sup>3</sup> )	<b>1,013,460</b>	<b>1,142,921</b>	<b>257,227</b>	<b>1,435,752</b>	<b>1,633,621</b>	<b>256,481</b>	<b>811,806</b>	<b>11,960</b>	<b>34,538</b>	<b>6,597,767</b>



EN9 – Water Sources Significantly affected by withdrawal of water	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration (Eastern Canada)
Where does the mine get its fresh water (name of lake, river, stream or groundwater)	Lac Chassignole	Thompson River	Héva River	River Seurujoki	Victoria, Pozo 1, Pozo 2, Pozo 4, Pozo 7, El Trigo, Pozo 2 (CM)	La Chipriona (Poza Noria), Poza Campamento	Third Portage Lake	A8 (Pump Lake)	Whale Lake and proximal lakes and ponds
If a lake, what is the size of the lake in cubic metres	> 25,000,000	–		N/A	N/A	N/A	446,000,000	1,435,200	Many water sources used
If a river or stream, what is the average Flow in cubic metres per second	–	6,200	0.25	2.69	N/A	N/A	N/A	N/A	No
Is the source designated as a protected area (nationally and/or internationally)	–	No	No	No	N/A	N/A	No	–	No
Is the water source recognized by professionals to be particularly sensitive (due to size, function, status as a rare, threatened or endangered species habitat)	No	No	No	No	No	No	No	No	No
Number of protected species in the water body	No	No	–	–	No	No	–	No	N/A
Is the water body a Ramsar-listed wetland or any other nationally and/or internationally proclaimed conservation area	No	No	No	No	No	No	No	No	No
Does the withdrawal account for an average of 5% or more of the annual average volume of the water body	No	No	No	No	No	No	No	No	No
Is the water source identified as having high value or importance to local communities and indigenous peoples	Yes	Yes	No	No	No	No	No	No	No
Is the water source identified as having high biodiversity value (such as species diversity and endemism)	Yes	No	No	No	No	No	No	No	No
Based on the above is the water source significantly affected by the withdrawal	No	No	No	No	No	No	No	No	No

EN10 – Percentage and total volume of water recycled and reused	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration	TOTAL
Total volume of water recycled & reused at this minesite (cubic metres)	3,878,245	2,647,623	128,911	3,895,276	140,548	21,159	2,738,870	–	–	<b>13,450,632</b>
Percent recycle/re-use	79%	70%	34%	73%	8%	8%	77%	–*	–**	<b>67%</b>

\* Our exploration drills recycle water.

\*\* Underground drilling is recycling water. The quantities change depending on the number of drills on site.



Aspect: Biodiversity

EN 11 – Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
At this mine site is there any mine land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity values outside protected areas	No	No	No	No	Yes	No	No	No	N/A
If yes, how many hectares of mine land is involved?					758				

Notes: Mascota and Pinos Altos mines are close but are considered outside the protected areas (ANPs).

EN12 – Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration*
At this mine site is the mine having any significant impact on biodiversity?	No	No	No	No	No	No	No	No	N/A

Notes: 1) At Pinos Altos some deforestation is taking place on the mine impacted land and some protected tree species are being impacted. Consequently the mine operates a tree nursery at site to replace sensitive vegetation and tree species so that this impact can be reversed during mine reclamation.

\* Our exploration activities have a small footprint, are of a temporary nature and care is taken to return the site as it was found originally.

MM1 – Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Total
Total land area in hectares owned or leased that makes up the mine site	785	517	70	1,147	7,754	3,574	2,451	324	16,622
Total of this land area that is physically disturbed by mine activity (Ha)	706	330	12	1,147	507	311	2,451	52	5,516
Total of this land that has been reclaimed (Ha)	0	0	0	0	0	0	0	0	–



EN 13 – Habitats protected or restored	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
At this mine site was there any mine impacted land restored in 2015? If yes, please describe the restoration completed and the amount (Ha) of land restored	No	No	No	No	No	No	No	No	No
If restored: was the success of the restoration measure was/is approved by independent external professionals									
Whether partnerships exist with third parties to protect or restore habitat distinct from where the organization has overseen and implemented restoration or protection measures									

Notes: 1) AEM contributes to a restoration fund for abandoned drill sites

MM2 – The number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number (percentage) of those sites with plans in place	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Exploration
Are there any lands on the mine site where a biodiversity management plan is required?	No	No	No	No	No	No	No	No
Does a biodiversity plan exist for these sites?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

EN14 – Number of IUCN red list species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
	None	None	None	None	None	None	None	None	None

Aspect: Emissions, Effluents and Waste

EN15 – Direct Greenhouse Gas (GHG) Emissions (Scope 1)	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Total
Total direct GHG emissions	28,651	11,272	7,891	8,235	51,896	39,399	189,847	<b>337,190</b>

EN16 – Energy Indirect Greenhouse Gas (GHG) Emissions (Scope 2)	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Total
Total indirect GHG emissions	3,661	1,228	466	11,939	52,987	–	–	<b>70,281</b>
Total GHG emissions	32,312	12,500	8,356	20,174	104,883	39,399	189,847	<b>407,470.31</b>



**EN17 – Other Relevant Indirect Greenhouse Gas (GHG) Emissions by Weight (Scope 3)**

AEM has indirect GHG emissions through the purchase of electricity from third party utilities. These have been reported under EN16. AEM does not track indirect GHG emissions from employee travel or from employees commuting to and from work. AEM does have programs in place at its operations to enhance car pooling or through providing bus transportation to and from the mine site at no cost to the employees to minimize personal use of individual cars.

EN 18 – Greenhouse Gas (GHG) Emissions Intensity	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Total
GHG intensity <sup>1</sup>	0.014	0.005	0.014	0.014	0.025	0.007	0.046	<b>0.020</b>

1) Tonnes of CO<sub>2</sub> equivalent per tonne of ore processed = (Scope 1 emissions + Scope 2 emissions)/tonnes of ore processed

EN19 – Reduction of Greenhouse Gases (GHG) Emissions	Initiative	Saving/Reductions
LaRonde	Reduction in the heat requirement of the mine air intake.	1878 tonnes of CO <sub>2</sub> e/year
Goldex	Underground ventilation controlled by sectors.	
Lapa	The ammonia water treatment plan was removed from service.	Over 500t of GHG emission reductions
Kittila	District heating system was built to utilize the waste heat of the mill. Number of different operations has been connected to the district heating system, which will reduce the use of fuel oil and therefore reduce the amount of CO <sub>2</sub> emissions. But no major emission reductions have been achieved yet.	
Pinos Altos	Replacement of fluorescent lamps with LED lamps in offices.	LED Lamps=0.66 CO <sub>2</sub> e
	Improvements for diesel consumption of 777 trucks.	Diesel=900.85 CO <sub>2</sub> e
Meadowbank	2015 There are no non–energy GHG emission sources that have been identified through the last TSM audit process so the initiatives mentioned above apply here as GHG emissions reduction initiatives (line 61).	
Meliadine	Heat recuperation from new generator to heat two workplace – saving an approximate 350,400.00 kW of electrical demand = (242 mT greenhouse gas); Reduce size of the heater in the STP to reduce electrical need, leading to optimization of the generator electricity for heat source demanding 105,120.00 kW less for the year = (72.5 mT greenhouse gas).	
	All of the energy related reduction initiatives are also contributing to a reduction of Greenhouse Gas emissions.	

EN20 – Emissions of Ozone Depleting Substances (ODS)	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Meadowbank	Exploration	Total
Ozone–depleting substances emitted in 2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	

EN21 – NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Exploration	Total
Estimated SO <sub>x</sub> Emissions from Fuel (tonnes in 2015)	27	15	9	15	96	86	359	N/A	607
Estimated NO <sub>x</sub> Emissions from Fuel (tonnes in 2015)	425	226	132	229	1,469	1,128	5,472	N/A	9,081



EN22 – Total water discharge by quality and destination	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration	Total
a) Volume of final effluent discharged to the receiving environment at this mine site (m <sup>3</sup> )	3,270,455	481,432	291,117	4,514,379	25,979	–	Vault Attenuation Pond: 1,065,433 East Dike Discharge: 162,734	–	31,479	<b>9,843,008</b>
What type of effluent treatment is used at this mine	Chemical + Biological	–	–	Neutralization and Sedimentation	Activated Sludge	Activated Sludge	Actiflow for TSS for Vault Discharge. No treatment for East Dike Discharge	–	Recirculated drilling water	
b) Volume of sewage (black & grey water) discharged by the mine into a municipal sewage treatment system (m <sup>3</sup> )	–	–	–	675	–	–	–	–	–	
c) Volume of sewage (black & grey water) treated at the mine and discharged (m <sup>3</sup> ) to the receiving environment	18,828	7,300	2,276	10,624	–	–	–	5,891	3,059	
d) What type of sewage treatment system is used at this mine site	Bionest and treatment ponds	Septic field+UV treatment	Septic tank followed by a biological treatment (Bionest)	Biological	Activated Sludge	Activated Sludge	Biological	Bio Disk	Bionest systems with UV disinfection	



EN23 – Total weight of waste by type and disposal method	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration	Total
Total Domestic Waste Generated (tonnes)	324	115	111	1,793	459	137	11,295	N/A	N/A	14,234
Percentage of waste recycled	84%	83%	83%	45%	90%	51%	17%	N/A	N/A	65%
<b>Waste sent to Recycling at this mine site</b>										
Paper and Cardboard (tonnes)	63	24	10	4	7	10	0	0	0	117
Plastics (tonnes)	0	0	1	–	0	1	0	23	0	25
Metals (tonnes)	1,020	863	121	656	652	225	1,449	70	0	5,056
Wood (tonnes)	337	126	42	302	33	122	0	23	0	986
Used Oil sent off site for treatment/disposal or used on-site as fuel (litres)	290,207	69,630	38,612	53,290	331,165	57,404	400	25	0	840,733
<b>Waste Stored or disposed of on-site</b>										
Contaminated soil stored on-site in 2015 (tonnes)	0	–	0	–	559	242	5,174	244	40	6,260
Contaminated soil treated on-site at a landfarm (tonnes)	0	–	0	–	0	0	5,174	0	0	5,174
Domestic waste (garbage) sent to an on-site landfill (tonnes)	0	–	0	–	505	66	8,516	0	0	9,088
Domestic waste (garbage) sent to an on-site incinerator (tonnes)	0	–	0	–	0	0	545	131	20	696
<b>Waste Stored or disposed of off-site</b>										
Domestic waste (garbage) sent to an off-site landfill (town landfill) (tonnes)	324	205	111	819	0	0	0	0	0	1,459
Contaminated soil shipped off-site for treatment (tonnes)	59	0	0	99	120	23	0	0	0	302
Hazardous waste shipped by the mine to an off-site disposal facility (tonnes)	256	40	105	223	559	242	289	123	0	1,838



MM3 – Total material mined, both hazardous and non hazardous	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Total
Overburden Mined (tonnes)	–	–	–	176,600	–	–	4,276	–	180,876
Tonnes of ore loaded onto heap leach pad <sub>1</sub>	–	–	–	–	2,367,771	5,371,419	–	–	7,739,190
Waste Rock Mined (total) (tonnes)	788,301	283,737	64,886	1,240,418	15,944,609	5,803,686	32,583,433	157,791	56,866,861
Waste rock returned underground as backfill or in the pit (tonnes)	393,334	–	127,878	594,362	490,149	–	3,698,782	–	5,304,505
Waste rock used in tailings dam construction (tonnes)	323,507	–	96,289	488,333	212,487	–	733,044	–	1,853,660
Waste rock used in other construction (tonnes)	–	218,156	–	668,657	94,147	–	1,621,359	59,288	2,661,607
Waste rock placed on surface waste rock piles (tonnes)	71,460	60,000	(159,472)	627,719	15,147,826	–	26,556,358	28,800	42,332,690
Mill Tailings (Total) (produced at mine)	2,343,298	2,270,473	550,925	1,438,586	1,993,749	–	4,032,852	N/A	12,629,883
Mill tailings returned underground as backfill (tonnes)	610,601	1,112,503	–	252,255	490,149	N/A	N/A	–	2,465,508
% of Tailings returned underground as backfill	26%	49%	–	18%	25%	N/A	N/A	–	19%
Mill tailings placed in surface tailings containment (tonnes)	1,732,697	1,152,638	550,925	1,186,331	1,503,600	–	4,032,852	–	10,159,043
<b>Portion of total amounts of overburden, rock, tailings, and sludges presenting potential hazards</b>									
Overburden Mined (tonnes)	–	–	–	–	–	–	–	–	–
Waste Rock Mined (total) (tonnes)	788,301	–	–	570,592	–	5,371,420	8,352,575	157,791	15,240,679
Waste rock returned underground as backfill or in the pit (tonnes)	393,334	–	–	273,407	–	5,803,686	923,744	–	7,394,171
Waste rock used in tailings dam construction (tonnes)	323,507	–	–	263,093	–	N/A	481,175	–	1,067,775
Waste rock used in other construction (tonnes)	–	–	–	152,086	–	–	306,527	59,288	517,901
Waste rock placed on surface waste rock piles (tonnes)	71,460	–	–	265,935	–	–	6,642,678	28,800	7,008,873
Mill Tailings (Total) (produced at mine)	2,283,622	–	–	1,438,586	N/A	N/A	4,032,852	–	7,755,060
Mill tailings returned underground as backfill (tonnes)	610,601	–	–	252,255	N/A	N/A	N/A	–	862,856
Mill tailings placed in surface tailings containment (tonnes)	1,673,021	–	–	1,186,331	N/A	N/A	4,032,852	–	6,892,204



EN24 – Total number and volume of significant spills	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration	Total
<b>All Spills</b>	19	11	10	138	9	3	168	45	7	410
Number of spills inside the mine site boundary	18	11	10	138	9	3	159	42		390
Total volume of spills inside the mine site boundary (litres)	21,699	895	47	5,925	10,100	2,040	16,518	964		154,335
Average volume of spills inside the mine site boundary (litres)	1,142	75	4	395	1,442	510	104	239		4,374
Number of spills outside the mine site boundary	1	–	–	–	–	–	9	3		13
Total volume of spills outside the mine site boundary (litres)	25	–	–	–	–	–	433	20		478
Average volume of spills outside the mine site boundary (litres)	25	–	–	–	–	–	48	15		88
<b>Spills 100–1,000 Litres</b>										
Number of spills inside the mine site boundary	6	2	–	15	3	–	17	1		44
Total volume of spills inside the mine site boundary (litres)	1,474	800	–	5,925	800	–	11,645	377		21,021
Average volume of spills inside the mine site boundary (litres)	246	400	–	395	266	–	685	377		2,369
Number of spills outside the mine site boundary	–	–	–	–	–	–	1	–		1
Total volume of spills outside the mine site boundary (litres)	–	–	–	–	–	–	250	–		250
Average volume of spills outside the mine site boundary (litres)	–	–	–	–	–	–	250	–		250
<b>Spills &gt; 1,000 Litres</b>										
Number of spills inside the mine site boundary	2	–	–	5	2	1	2	–		12
Total volume of spills inside the mine site boundary (litres)	20,000	–	–	92,000	9,300	2,000	6,500	–		129,800
Average volume of spills inside the mine site boundary (litres)	10,000	–	–	18,400	4,650	2,000	3,250	–		38,300
Number of spills outside the mine site boundary	–	–	–	–	–	–	–	–		–
Total volume of spills outside the mine site boundary (litres)	–	–	–	–	–	–	–	–		–
Average volume of spills outside the mine site boundary (litres)	–	–	–	–	–	–	–	–		–



EN25 – Weight of transported, imported, exported or treated waste deemed hazardous under the Terms of the Basel Convention Annex I, II, III and IV, and transported waste internationally	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Did this mine site ship any hazardous waste outside the country in 2015? – Yes or No	No	No	No	No	No	No	No	No	No
If Yes – what was shipped, to where and how much?	–	–	–	–	–	–	–	–	–

EN26 – Identify size, protected status and biodiversity value of water bodies and related habitats significantly affected by the reporting organization’s discharges of water and runoff	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Where does the mine discharge its final effluent (name of lake, river, stream or wet land)	Dormenan Creek	No Name Stream	Wet Land	Through a wetland to a river Seurujoki	LA Bateria Stream	N/A	Vault into Wally Lake; East Dike Seepage into Second Portage Lake	N/A	N/A
<b>If a lake what is the size of the lake in cubic metres</b>	N/A	N/A	N/A	N/A	N/A	N/A	Wally Lake: 27,900,000 Second Portage Lake: 39,700,000	N/A	N/A
If a river or stream what is the average Flow in cubic metres per second	2.00	N/A	N/A	2.69	N/A	N/A	N/A	N/A	N/A
Is the receiving water body designated as a protected area (nationally and/or internationally)	No	N/A	No	No	No	No	No	N/A	N/A
Is the receiving water body recognized by professionals to be particularly sensitive (due to size, function, status as a rare, threatened or endangered species habitat)	No	No	No	No	No	No	No	N/A	N/A
Number of protected species in the water body	None	None	None	None	None	None	None	N/A	N/A
Is the water body a Ramsar-listed wetland or any other nationally and/or internationally proclaimed conservation area	No	No	No	No	No	No	No	N/A	N/A
Does the amount of effluent discharged into this water body account for an average of 5% or more of the annual average volume of the water body	Yes	No	N/A	Yes	No	No	Vault Discharge: No East Dike Discharge: No	N/A	N/A
Based on the above is the water body significantly affected by the discharge	Yes	No	No	No	No	No	No	N/A	N/A



**EN27 – Extent of Impact Mitigation of Environmental Impacts of Products and Services**

As a member of the world gold council, Agnico Eagle mines is committed to ensuring ethical gold use.

**EN28 – Percentage of products sold and their packaging materials that are reclaimed by category**

The percentage of reclaimed products and their packaging materials for each category of products

How the data for this Indicator has been collected

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
The percentage of reclaimed products and their packaging materials for each category of products	N/A	N/A	N/A	N/A	N/A	N/A	N/A
How the data for this Indicator has been collected	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Agnico Eagle gold dore and concentrate is not packaged, therefore this indicator is not applicable in our business case.

**Aspect: Compliance**

**EN29 – Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations**

Was this mine charged in 2015 for any non-compliance events with environmental laws and regulations – Yes or No

What was the total amount of fines or penalties levied against the mine in 2015 for non-compliance with environmental laws and regulations (USD\$)

Were there any actions taken against this mine in 2015 for non-compliance events with environmental laws and regulations

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Was this mine charged in 2015 for any non-compliance events with environmental laws and regulations – Yes or No	No	No	No	No	No	Yes	
What was the total amount of fines or penalties levied against the mine in 2015 for non-compliance with environmental laws and regulations (USD\$)	-	-	-	-	-	-	
Were there any actions taken against this mine in 2015 for non-compliance events with environmental laws and regulations	No	No	No	No	No	No	

**EN30 – Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce**

Transport is a critical component of Agnico Eagle's business. We have a significant fleet of heavy equipment used to mine and transport ore and waste rock. We use light vehicles to move people around our sites, and we transport large quantities of materials along public roads to our operations. In addition, our employees and contractors use cars, buses and planes to get to and from work. AEM has also become a signatory of the International Cyanide Management Code, for the Manufacture, Transport, and Use of Cyanide In the Production of Gold.

The potential impacts from transport related to our activities are felt in three principal areas, GHG emissions, potential road accidents, and traffic issues such as noise, dust, and road maintenance. AEM recognizes these potential impacts and has strategies and/or management plans in place to reduce and mitigate impacts.



EN31 – Total Environmental Protection Expenditures and investments by type	LaRonde (CAD)	Goldex (CAD)	Lapa (CAD)	Kittila (Euros)	Pinos Altos (USD)	La India (USD)	Meadowbank (CAD)	Meliadine (CAD)
How much did this mine spend on environmental protection and management in 2015	12,236,205	309,187	874,912	17,465,376	1,534,482	711,980	19,726,517	2,838,986
Environment management budget	1,486,614	241,124	538,845	2,292,009	427,748	806,828	9,128,528	2,738,359
Environment capital expenditures (Impoundment + infrastructures)	4,955,768	–	–	8,068,959	955,205	143,788	10,397,989	–
How much did this mine spend on waste disposal, water treatment and remediation in 2015	5,793,823	68,063	–	7,104,409	151,528	64,754	200,000	100,627

#### EN32 – Percentage of new suppliers that were screened using environmental criteria

Agnico Eagle Mines Limited is committed to conducting business in an ethical, legal, and socially responsible manner. We expect all suppliers and potential suppliers to adhere to the same stringent set of values that Agnico holds itself to. In the induction process, all suppliers must agree to the terms laid out in the “Supplier Code of Conduct” in which environmental criteria is explicitly covered. It is Agnico’s objective to partner with suppliers that share our values and meet our requirements.

#### EN33 – Significant actual and potential negative environmental impacts in the supply chain and actions taken

In 2015, we have adopted a code of conduct for our suppliers, where they are asked to actively manage any environmental risks due to their activities.

#### EN34 – Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms

LaRonde	None
Goldex	None
Lapa	None
Kittila	Formal grievance mechanism was implemented 03/2015. It was registered 4 grievances in 2015: 1) Reindeer herders are worried about the mine expansion (esp. Kuotko satellite) and its effects on reindeer herding; 2) Because of NP3 leakage local people are worried about fishing in the river Seurujoki; 3) Continuous exceedings of mine drainage water discharge limits (in several months), reminded by the Supervision Authority; 4) The local nature conservation association is worried about the possibility of bats in UG mine.
Pinos Altos	None
La India	None
Meadowbank	None
Meliadine	None
Exploration	None



## GRI Labour Practices and Decent Work Performance Indicators

LA1 – Total number and rate of employee turnover by age group, gender and region	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration	Total
<b>Total number of AEM employees leaving employment at this mine in all of 2015</b>	17	71	37	21	133	76	100	5	14	<b>474</b>
Female	–	34	1	3	24	20	23	–	3	<b>108</b>
Male	17	37	36	18	109	56	77	5	11	<b>366</b>
< 30 years old	4	68	1	1	60	29	42	2	2	
30 to 50 years old	11	2	27	12	59	43	44	2	10	
> 50 years old	2	1	9	8	14	4	14	1	2	
Number who are local employees (economic region in which the mine is located)	17	61	37	4	67	17	73	4	3 Nunavut/ 11 Quebec	

Notes:

- 1) At Meadowbank Mine we have a relatively high turnover rate amongst our employees coming from the local region around the mine. These are employees entering the workforce for the first time and thus there is a large adjustment being made to their way of life. In most cases the employee is having to cope with being away from family and with adjusting to an imposed daily work schedule. Most of the turnover is voluntary and in many cases the employee leaving will later re-apply to come back to work.
- 2) At Pinos Altos we also have a relatively high rate of turnover due to the fact that there is a lot of competition for skilled labour between the mines in the area.



LA2 – Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
<b>Are following benefits offered to AEM Full-Time Employees – Yes or No</b>									
Life insurance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	YES but variable for certain site
Health Care (additional to Government Provided Health Care)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Disability/Invalidity coverage	Yes	Yes	Yes	Yes	Provided by government	Provided by government	Yes	Yes	YES but variable for certain site
Maternity/Paternity Leave	Yes	Yes	Yes	Yes	Provided by government	Provided by government	Yes	Yes	Yes
Retirement Provision	Yes	Yes	Yes	Yes	Provided by government	Provided by government	Yes	Yes	Yes
Stock Ownership	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	YES but variable for certain site
<b>Are following benefits offered to AEM Temporary Employees – Yes or No</b>									
Life insurance	Yes temp with benefits	Yes temp with benefits	Yes temp with benefits	Yes	Yes	Yes	Yes temp with benefits	Yes temp with benefits	Yes temp with benefits
Health Care (additional to Government Provided Health Care)	Yes temp with benefits	Yes temp with benefits	Yes temp with benefits	Yes	Yes	Yes	Yes temp with benefits	Yes temp with benefits	Yes
Disability/Invalidity coverage	No	No	No	Yes	Provided by government	Provided by government	No	No	No
Maternity/Paternity Leave	Yes as permitted by law	Yes as permitted by law	Yes as permitted by law	Yes	Provided by government	Provided by government	Yes as permitted by law	Yes as permitted by law	Yes
Retirement Provision	According to the legal minimum and the terms of the employment contract	According to the legal minimum and the terms of the employment contract	According to the legal minimum and the terms of the employment contract	Yes	Provided by government	Provided by government	According to the legal minimum and the terms of the employment contract	According to the legal minimum and the terms of the employment contract	No
Stock Ownership	No	No	No	No	No	No	No	No	No
<b>Are following benefits offered to AEM Part-Time Employees – Yes or No</b>									
Life insurance	No	No	No	Yes	Yes	Yes	No	No	No
Health Care	No	No	No	Yes	Yes	Yes	No	No	No
Disability/Invalidity coverage	No	No	No	Yes	Provided by government	Provided by government	No	No	No
Maternity/Paternity Leave	Yes as permitted by law	Yes as permitted by law	Yes as permitted by law	Yes	Provided by government	Provided by government	Yes as permitted by law	Yes as permitted by law	Yes
Retirement Provision	No	No	No	Yes	Provided by government	Provided by government	No	No	No



LA2 – Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Stock Ownership	No	No	No	No	No	No	No	No	No

\*Significant Locations are defined as minesites that are currently in operation

LA3 – Return to Work and Retention Rates after Parental leave, by gender	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Total
Total number of employees entitled to parental leave	100%	100%	100%	100%	100%	100%	100%	100%
<b>Total number of employees that took parental leave</b>	50	9	12	50	89	30	89	<b>329</b>
Female	4	1	2	6	83	25	37	<b>158</b>
Male	46	8	10	44	6	5	52	<b>171</b>
<b>Total number of employees who returned to work after parental leave ended</b>	50	9	12	44	88	29	85	<b>317</b>
Female	4	1	2	–	83	25	33	<b>148</b>
Male	46	8	10	44	5	4	52	<b>169</b>
<b>Return to work rate of employees who took parental leave (C/B)</b>								<b>96%</b>
Female	100%	100%	100%	0%	100%	100%	89%	<b>94%</b>
Male	100%	100%	100%	100%	83%	80%	100%	<b>99%</b>

LA4 – Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
At this mine site typically how many weeks notice would be given to employees prior to a significant operational change that could substantially affect them?	4 weeks	3-5 weeks	43 weeks	2 weeks	3-5 weeks	3-5 weeks	4 weeks or based on seniority years	4 weeks or based on seniority years	2-4 weeks

MM4 – Number of strikes and lock-outs exceeding one week's duration, by country	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Total number of strikes and lock-outs that exceeded one week's duration during the reporting period, by country	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil



LA5 – Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Does this mine have a formal Health & Safety Committee with labour and management representation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>What proportion of the workforce is represented on this committee?</b>									
None									
Up to 25%									
Between 25 and 50%									
Between 50 and 75%									x
Over 75%									
100%	x	x	x	x	x	x	x	x	

LA6 – Type of Injury and Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities by region and by gender	LaRonde	Goldex	Lapa	Kittila	Pinos Altos + Mascota	La India	Meadowbank	Meliadine	Exploration	TOTAL
Person-Hours worked	2,263,535	876,552	601,755	1,517,896	4,142,455	1,512,351	2,123,253	402,666	1,104,016	14,995,802*
Number of fatalities in 2015	–	–	–	–	–	–	–	–	–	–
Lost-Time Accidents	7	3	2	8	4	–	–	–	8	33
Light Duty Assignments Restricted Work	5	10	8	4	13	1	6	2	10	59
Days Lost (LTA)	653	248	252	134	316	–	–	–	7	1,610
Days Lost (LDA)	114	43	430	20	318	17	261	5	127	1,335
Medical Aid incident	17	13	17	12	30	19	21	8	4	141
First Aid	252	29	52	6	49	26	118	61	18	611
Reported	272	163	87	23	1	–	119	19	11	695
Incident	244	105	53	254	19	7	381	74	–	1,137
Total	797	323	219	307	116	53	645	164	–	2,624
Frequency (LTA)	0.62	0.68	0.66	1.05	0.19	0.00	0.00	0.00	1.45	0.44
Frequency (Combined) Lost time and restricted work	1.06	2.97	3.32	1.58	0.82	0.13	0.57	0.99	3.26	1.23

The global LTA and Combined frequency numbers are calculated with the total number of hours worked across the company including corporate and administration man hours not shown here. These statistics include both AEM employees and contractors. Contractors that work at our sites are subjected to the same Health and Safety rules and procedures as AEM employees, including accident reporting and investigation. They are also subjected to health and safety induction.

\* Total Person hours worked includes Regional (194,589 person-hours worked) & Corporate (256,464 person-hours worked)



LA7 – Workers with high incidence or high risk of disease related to their occupation	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Are there workers who are involved in occupational activities who have high incidence or high risk or specific disease	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
In 2015, did the mine provide training to assist workforce members prevent/manage serious disease – Yes or No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
Was this training given to:									
Employees	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	–
Employees' families	No	No	No	No	Yes	Yes	No	N/A	–
Other members of the community	No	No	No	No	Yes	Yes	No	N/A	–

LA8 – Health and safety topics covered in formal agreements with trade unions	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Is Health & Safety covered in any formal agreement with trade unions at this mine in 2015 – Yes or No?	No	No	No	No	Yes	Yes	No	No	No

LA9 – Average hours of training per year per employee by gender and by employee category	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Total
Total person hours devoted to training personnel at the mine in 2015	23,518	7,824	9,624	8,100	67,489	22,533	37,591	1,247	177,926
Male	21,872	7,373	9,528	6,945	60,951	16,333	33,770	1,190	157,962
Female	1,576	451	96	1,155	6,538	6,200	3,821	57	19,894
Average Hours of Training = Total Hours devoted to training/ Total number of employees (in hrs.)	22	19	38	12	45	46	34	4	31
Male	28	28	61	19	55	46	50	38	
Female	28	23	14	21	38	98	27	6	



LA10 – Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration	Total
Did the mine offer internal skills training programs at the mine in 2015	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	
Did the mine have any apprenticeship training programs in place in 2015	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No	
If Yes – how many apprenticeships were in place in 2015	75	–	13	30	N/A	3	16	–		<b>137</b>
Did the mine offer any programs to help employees prepare for retirement in 2015 – Yes or No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	

LA11 – Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
What percent of all employees at this mine received regular performance and career development reviews in 2015?	100%	100%	30%	98%	95%	100%	30%	74%	100%

LA12 – Composition of governance bodies and breakdown of employees per category according to gender, age, group, minority group membership, and other indicators of diversity	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration (Eastern Canada)
% of workforce at this mine who are male	93%	92%	96%	86%	86%	80%	80%	78%	72%
% of workforce at this mine who are female	7%	8%	4%	14%	14%	20%	20%	22%	28%
% of workforce at this mine in each of the following age groups (total should be 100%)	100%	100%	100%	100%	100%	100%	100%	100%	100%
< 30 years old	13%	14%	24%	19%	34%	44%	32%	10%	17%
30 to 50 years old	61%	53%	49%	61%	59%	50%	50%	66%	55%
> 50 years old	26%	33%	27%	20%	7%	6%	19%	24%	28%

LA13 – Ratio of basic salary of men to women by employee category	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Ratio: Male basic salary/Female basic salary	1.10	0.98	1.17	1.43	1.29	1.21	1.19	1.23	1.07



**LA14 – Percentage of new suppliers that were screened using labour practices criteria**

Agnico Eagle Mines Limited is committed to conducting business in an ethical, legal, and socially responsible manner. We expect all suppliers and potential suppliers to adhere to the same stringent set of values that Agnico holds itself to. In the induction process, all suppliers must agree to the terms laid out in the “Supplier Code of Conduct” in which labour practice elements are clearly discussed. It is Agnico’s objective to partner with suppliers that share our values and meet our requirements.

**LA15 – Significant actual and potential negative impacts for labour practices in the supply chain and actions taken**

Agnico Eagle Mines Limited is committed to conducting business in an ethical, legal, and socially responsible manner. We expect all suppliers and potential suppliers to adhere to the same stringent set of values that Agnico holds itself to. In the induction process, all suppliers must agree to the terms laid out in the “Supplier Code of Conduct” in which labour practice elements are clearly discussed. It is Agnico’s objective to partner with suppliers that share our values and meet our requirements.

**LA16 – Number of grievances about labour practices filed, addressed, and resolved through formal grievance**

Total number of grievances about labour practices filed through formal grievance mechanisms

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Total number of grievances about labour practices filed through formal grievance mechanisms	0	0	0	0	0	2	0	0	0



## GRI Human Rights Performance Indicators

### Aspect: Investment and Procurement Practices

#### HR1 – Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening

In 2015, Agnico Eagle has adopted a Code of Conduct for suppliers, including contractors, that require suppliers to uphold the highest standards of human rights and treat their workers and contractors with dignity and respect. The Code states that suppliers must not employ children below the minimum legal age where the work is performed and in any event, no worker shall be employed who is under the age of 15. Forced labour in any form is also explicitly prohibited by the Code. AEM will not conduct business in places of high political risk or places where there are high instances of human rights abuses. As such, we have not felt the need to apply human rights clauses or screening to past significant investments agreements. We will continue to mine only in places where the instances of human rights abuses are low and places of low political risk.

#### HR2 – Total hours of employee training on human rights policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine
Did this mine provide training to its employees in 2015 on human rights policies or cross-cultural awareness training – Yes or No?	No	No	No	No	Yes	No	Yes	Yes
If yes – how many hours of training were provided					360		2,775	55
If yes – approximately what percentage of the workforce received this training					7%		67%	34%

### Aspect: Non-discrimination

#### HR3 – Total number of incidents of discrimination and corrective actions taken

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine
In 2015, at this mine site were there any formal complaints of discrimination or harassment submitted by employees or contract employee – Yes or No?	No	No	No	No	No	No	Yes	No
If Yes – was the incident investigated and what was the outcome							Investigated and settled	
How many incidents were investigated? (please list outcome)							2	

Notes: Agnico Eagle Mines is currently in the process of updating some of its policies to include more explicit guidelines on Human Rights and discrimination. We ensure compliance with our current anti discrimination policy in the Code of Business Conduct and Ethics throughout our operations with our whistleblower hotline. Each quarter, a report is submitted to the Audit Committee outlining the number of complaints received since the previous report.



**Aspect: Freedom of Association and Collective Bargaining**

HR4 – Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
	Not at risk								

Notes: Agnico Eagle does not operate in any jurisdictions where our employees' right to exercise freedom of association or collective bargaining is at significant risk. As such no actions plans have been required by the company.

**Aspect: Child Labour**

HR5 – Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
	Not at risk								

**Aspect: Forced and Compulsory Labour**

HR6 – Operations identified as having significant risk for incidents of forced labour or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
	Not at risk								

**Aspect: Security Practices**

HR7 – Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
At this mine what % of the mine's security personnel have received training in human rights policies, cross-cultural awareness?	0%	0%	0%	0%	98%	100%	50%	0%	0%



MM5 – Total number of operations taking place in or adjacent to Indigenous Peoples' territories, and number and percentage of operations or sites where there are formal agreements with Indigenous Peoples' communities									
	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Operation adjacent or on Indigenous People's Territory	No	No	No	No	No	No	Yes	Yes	Yes
Formal Agreements in Place	No	No	No	No	No	No	Yes	Yes	Yes

Notes:

1) The Pinos Altos site is situated on collective lands (ejidos). Agreements with these land owners were signed prior to any activity on-site.

2) The Meadowbank Mine is on Inuit Owned Land. AEM operates at Meadowbank with full consent of the Inuit through several formal agreements, specifically an Inuit Impact Benefits Agreement, a Water Compensation Agreement, a Commercial Land Lease and a Production Agreement that includes payment of royalties to the Inuit.

Aspect: Indigenous Rights

HR8 – Total number of incidents of violations involving rights of Indigenous People and actions taken									
	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
In 2015 at this mine were there any reported incidents of violations involving rights of Indigenous Peoples – Yes or No?	No	No	No	No	No	No	No	No	No
If Yes – what actions were taken	–	–	–	–	–	–	–	–	–

Aspect: Assessment

HR9 – Total number and percentage of operations that have been subject to human rights reviews or impact assessments			
	Canada	Mexico	Finland
Total number of operations by country	–	–	–
Percentage of operations by country	–	–	–

HR10 – Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken
In 2015, Agnico Eagle has adopted a Code of Conduct for suppliers, including contractors, that require suppliers to uphold the highest standards of human rights and treat their workers and contractors with dignity and respect. The Code states that suppliers must not employ children below the minimum legal age where the work is performed and in any event, no worker shall be employed who is under the age of 15. Forced labour in any form is also explicitly prohibited by the Code.



**HR11 – Significant actual and potential negative human rights impacts in the supply chain and actions taken**

Agnico Eagle Mines Limited is committed to conducting business in an ethical, legal, and socially responsible manner. We expect all suppliers and potential suppliers to adhere to the same stringent set of values that Agnico holds itself to. In the induction process, all suppliers must agree to the terms laid out in the “Supplier Code of Conduct” in which human rights is explicitly covered. It is Agnico’s objective to partner with suppliers that share our values and meet our requirements.

**Aspect: Human Rights Grievance Mechanisms**

**HR12 – Number of Grievance about human rights impacts filed, addressed, and resolved through formal grievance mechanisms**

Total number of grievances about human rights filed through formal grievance mechanisms during the reporting year

LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine
0	0	0	0	0	0	0	0

**GRI Society Performance Indicators**

**Aspect: Local Communities**

**SO1 – Percentage of operations with implemented local community engagement, impact assessments and development programs**

In Northwestern Quebec (LaRonde, Goldex and Lapa) we have a community engagement plan that addresses ongoing dialogue on all issues related to our presence in the local communities through engagement with the local government representatives. Mine closure is regulated by the Government of Quebec.

At Kittila (Northern Finland) we have a similar community engagement plan that addresses ongoing dialogue on all issues related to our presence in the local communities through engagement with the regional government (municipal Kittila Regional Council) and with the governing bodies for the state of Lapland. Mine closure is regulated by the Government.

At Pinos Altos (Northern Mexico) we have a similar community engagement plan that addresses ongoing dialogue on all issues related to our presence in the local communities. We engage regularly with the governing groups or community elders in the local communities and villages to address all issues.

At Meadowbank we have a community engagement plan that addresses ongoing dialogue with the seven communities that make up the Kivalliq Region of Nunavut. In the nearest community (Baker Lake) we engage through ongoing discussions with the Hamlet of Baker Lake council and through regularly scheduled meetings with a Community Liaison Committee formed to allow AEM to fully engage the wider community groups in Baker Lake. We meet thru community visits to the other communities to discuss issues related to our presence in the region. We also have formal community engagement assessment programs that form part of our IIBA with the Kivalliq Inuit Association and through our ongoing participation on the Kivalliq Socio-Economic Monitoring Committee created and sustained by the Government of Nunavut to track the socio-economic impacts of mining in this region of Nunavut.

**MM6 – Number and description of significant disputes relating to land use, customary rights of local communities and Indigenous Peoples**

LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
None	None	None	None	None	None	None	None	None



SO2 – Operations with significant actual and potential negative impacts on local communities	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Is there a significant actual or potential negative impact on local communities near the site	None	None	None	None	None	None	None	None	None
If yes, comment									

**Aspect: Anti-Corruption**

SO3 – Total number and percentage of operations assessed for risk related to corruption and the significant risks identified	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Total %

In 2015, we initiated a company-wide Fraud Risk Assessment for AEM. The risk assessment was based on a survey that was provided to individuals across many levels and at all the divisions as well as head office. The survey consisted of scenarios, based on input from external consultants, which were then assessed in terms of their likelihood, the impact (financial and in terms of reputation) and the inherent risk. These scenarios were then mapped to the relevant controls we have in place to determine the extent of the remaining risk. Follow-up interviews have been conducted and will continue into 2016 to finalize the results of the survey. In addition, in 2015 we initiated a series of steps to enhance our approach to Anti-Corruption / Anti-Bribery to complement the existing policies and further develop our internal program. The rollout will continue into 2016, targeting the areas we feel have the highest risk.

MM7 – The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and Indigenous Peoples, and the outcomes	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Exploration
	None Required in 2015							

MM8 – Number (and percentage) of company operating sites where artisanal and small-scale mining (ASM) takes place on, or adjacent to, the site; the associated risks and the actions taken to manage and mitigate these risks	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Operating sites where ASM takes place on, or adjacent to, the site as a number and as a percentage of the company's total operating sites	None	None	None	None	None	None	None	None	None
Nature of the risks and the actions taken to manage and mitigate them	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A



MM9 – Sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Number of households involved in any resettlement program	None	None	None	None	None	None	None	None	None
Number of individuals impacted directly by resettlement or an informed estimate can also be reported	None	None	None	None	None	None	None	None	None
Consultation processes and measures put in place to re-establish the affected community, to mitigate any impacts of relocation, and the outcomes in terms of livelihoods, including sustainable land use	None	None	None	None	None	None	None	None	None
Significant disputes related to resettlement and the processes employed to resolve outstanding issue	None	None	None	None	None	None	None	None	None

MM10 – Number and percentage of operations with closure plans	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Does this mine site have a completed Closure & Reclamation Plan?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A
Has it been submitted to the regulatory authorities for approval?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A
Has the Plan been formally approved by the regulatory authority?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A

MM10a – Significant incidents involving communities in which grievance mechanisms have been invoked to address them, together with their outcomes	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
In 2015 were there any formal grievances submitted to the mine by local communities? – Yes or No	No	No	No	No	No	No	No	No	No
If Yes – please provide details about the grievance and actions taken to resolve the complaint									



MM11 – Number and description of incidents affecting employees, communities, or the environment in which emergency preparedness procedures were activated	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Were there any incidents affecting employees, communities or the environment that occurred at this mine in 2015 where the mine's emergency preparedness procedures were activated – Yes or No?	No	No	No	Yes	No	No	No	No	No

SO4 – Communication and training on anti-corruption policies and procedures	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Communication on anti-corruption: % of governance body members	100%	100%	100%	100%	100%	100%	100%	100%	100%
Communication on anti-corruption: % of employees	100%	100%	100%	100%	100%	100%	100%	100%	100%
Training on anti-corruption: % of governance body members	100%	100%	100%	100%	100%	100%	100%	100%	100%
Training on anti-corruption: % of employees	100%	100%	100%	100%	100%	100%	100%	100%	100%

Notes:  
 1) All staff (salaried) employees receive training on the companies ethics policies (includes anti-corruption policies and procedures) and must periodically certify that they have received such training. This is in place at all of AEM's locations.

SO5 – Confirmed incidents of corruption and actions taken	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
	None Required in 2015								

Aspect: Public Policy

SO6 – Total Value of political contributions by country and recipient/beneficiary	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Did the mine make any financial or in-kind contributions to political parties, politicians, or related institutions in 2015	None	None	None	None	None	None	None	None	None



**Aspect: Anti-Competitive Behaviour**

SO7 – Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
	None	None	None	None	None	None	None	None	None

**Aspect: Compliance**

SO8 – Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
	None	None	None	None	None	None	None	None	None

**Aspect: Supplier Assessment for Impact on Society**

SO9 – Percentage of new suppliers that were screened using criteria for impact on society
Agnico Eagle Mines Limited is committed to conducting business in an ethical, legal, and socially responsible manner. We expect all suppliers and potential suppliers to adhere to the same stringent set of values that Agnico holds itself to. In the induction process, all suppliers must agree to the terms laid out in the "Supplier Code of Conduct" in which elements of impacts on society are covered. It is Agnico's objective to partner with suppliers that share our values and meet our requirements.

SO10 – Significant actual and potential negative impacts on society in the supply chain and actions taken
Agnico Eagle Mines Limited is committed to conducting business in an ethical, legal, and socially responsible manner. We expect all suppliers and potential suppliers to adhere to the same stringent set of values that Agnico holds itself to. In the induction process, all suppliers must agree to the terms laid out in the "Supplier Code of Conduct" in which elements of impacts on society are covered. It is Agnico's objective to partner with suppliers that share our values and meet our requirements.

**Aspect: Grievance Mechanisms for Impacts on Society**

SO11 – Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Number of grievances about impacts on society filed through formal grievance mechanism during reporting year	0	0	0	0	0	0	0	0	0



## GRI Product Responsibility Performance Indicators

### M11 – Programs and progress relating to materials stewardship

AEM currently does not have any policies or procedures for improving efficiencies and sustainability throughout procurement, production, use, and disposal processes. We expect all of our business partners to uphold themselves to the same standards as AEM does (As outlined in the Code of Conduct and Business Ethics and the Code of Sustainable Conduct once it is an official AEM policy.)

### Aspect – Customer Health & Safety

#### PR1 – Percentage of significant product and service categories for which health and safety impacts are assessed for improvement

AEM has not reported directly on this GRI indicator for the following reasons:

- 1) AEM is primarily a gold producer and does not directly market its product and/or services to the final consumer. Our gold is typically sold to a third party such as a financial institution or brokerage who then sell it. Consequently AEM does not generate a final consumer product and thus does not actively participate in assessing the life cycle stages in which health and safety impacts are assessed,
- 2) AEM is a member of the World Gold Council and fully endorses the principles put forward by the Responsible Jewelry initiative of the World Gold Council and through this means ensures that its product is used in a responsible manner to the extent practical within the management control of the company.

#### PR2 – Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
The total number of incidents of non-compliance with the health and safety of products and services, broken down by incidents of non-compliance with regulations resulting in a fine or penalty	None	None	None	None	None	None	None	None	None
The total number of incidents of non-compliance with the health and safety of products and services, broken down by incidents of non-compliance with regulations resulting in a warning	None	None	None	None	None	None	None	None	None
The total number of incidents of non-compliance with the health and safety of products and services, broken down by incidents of non-compliance with voluntary codes	None	None	None	None	None	None	None	None	None



Aspect – Product and Service Labelling

**PR3 – Type of product and service information required by the organization’s procedures for product and service information and labelling, and percentage of significant product and service categories subject to such information requirements**

AEM has not reported data against this Performance Indicator as, in our view, this indicator is not relevant to our specific business case. AEM does not create a final product that is marketed directly to a consumer. Most of our production is in the form of dore bullions which are shipped to a refiner. The LaRonde mine produces concentrates containing gold which are shipped to a smelter. From time to time we also ship by-products (slag and carbon) containing gold to be processed outside our facilities. All these are shipped with appropriate content information. The concentrates, slag and carbon shipped in Canada are accompanied by a Material Safety Data Sheet (MSDS) with detailed chemical analysis of contents. We do not market a final consumer product and thus final labelling requirements are not relevant. We do provide information to the refiner or smelter receiving our products on their contents and make up.

**PR4 – Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.**

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
The total number of incidents of non-compliance with regulations concerning product and service information and labelling, broken down by incidents of non-compliance with regulations resulting in a fine or penalty.	None	None	None	None	None	None	None	None	None
The total number of incidents of non-compliance with regulations concerning product and service information and labelling, broken down by incidents of non-compliance with regulations resulting in a warning.	None	None	None	None	None	None	None	None	None
The total number of incidents of non-compliance with regulations concerning product and service information and labelling, broken down by incidents of non-compliance with voluntary codes.	None	None	None	None	None	None	None	None	None

**PR5 – Results of surveys measuring customer satisfaction.**

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Organization-wide practices in place to assess and maintain customer satisfaction.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Results or key conclusions of surveys conducted that were related to the organization as a whole; a major product/service category or significant locations of operation.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A



Aspect –Marketing Communications

**PR6 – Sale of banned or disrupted products**

AEM has not reported data against this Performance Indicator as in our view this indicator is not relevant to our specific business case. AEM does not create a final product that is marketed directly to a consumer. Consequently we do not participate in marketing, advertising or promotion of a consumer product. We adhere to international standards relating to the responsible use of gold through our participation in the World Gold Council and the Responsible Jewelry initiative.

PR7 – Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
The total number of incidents of non-compliance with regulations concerning marketing communications, broken down by incidents of non-compliance with regulations resulting in a fine or penalty.	None	None	None	None	None	None	None	None	None
The total number of incidents of non-compliance with regulations concerning marketing communications, broken down by incidents of non-compliance with regulations resulting in a warning.	None	None	None	None	None	None	None	None	None
The total number of incidents of non-compliance with regulations concerning marketing communications, broken down by incidents of non-compliance with voluntary codes.	None	None	None	None	None	None	None	None	None

PR8 – Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	La India	Meadowbank	Meliadine	Exploration
Total number of substantiated complaints received concerning breaches of customer privacy, categorized by complaints received from outside parties and substantiated by the organization.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total number of substantiated complaints received concerning breaches of customer privacy, categorized by complaints from regulatory bodies.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total number of identified leaks, thefts or losses of customer data.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A



**Aspect – Compliance**

PR9 – Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.

Nil – AEM was not charged or fined at any of its six operating mines in 2015 for non-compliance with laws and regulations concerning the provision and use of its products or services.



# Access to our Appendices, Charters, and Codes of Conduct

<p>CLICK ON THE DOCUMENT YOU WISH TO INSPECT</p>	<p>Aboriginal Engagement Policy – Canada</p>	<p>Compensation Committee Charter</p>	<p>Corporate Governance Committee Charter</p>
<p>Audit Committee Charter</p>	<p>Health, Safety, Environment and Sustainable Development Committee Charter</p>	<p>Supplier Code of Conduct</p>	<p>Code of Business Conduct and Ethics</p>



# Trust Respect Equality Family Responsibility

**AGNICO EAGLE'S FIVE PILLARS**

At Agnico Eagle, our efforts are supported by our Five Pillars: Trust, Respect, Equality, Family and Responsibility. These pillars define who we are and guide us in everything we do. They are a vital link to our history, central to our culture and an essential element to our success.



**AGNICO EAGLE**

DESIGN: CRAIB DESIGN & COMMUNICATIONS WWW.CRAIB.COM



# **AGNICO EAGLE**

## **REFERENCE GUIDE**

**Application of Agnico-Eagle Aboriginal Engagement Policy**

**REFERENCE GUIDE FOR ONTARIO, QUEBEC, British Colombia and Yukon**

**January 1<sup>st</sup>, 2016**

## TABLE OF CONTENTS

<b>1. Why Have an Aboriginal Engagement Policy?</b> .....	1
<b>2. Aboriginal Community Support for Mineral Activities in Canada</b> .....	2
<b>3. Objectives of the Policy</b> .....	2
<b>3.1 Types of Agreements</b> .....	3
A. Letter of Intent (LOI).....	3
B. Communication Protocol .....	3
C. Exploration Agreement.....	3
D. Memorandum of Understanding (MOU).....	4
E. Impact Benefit Agreement (IBA) .....	4
<b>3.2 Protocol Opportunity</b> .....	4
<b>3.3 Canadian Context</b> .....	4
3.3.1 The Tsilhqot’in Decision .....	5
<b>4. Provincial Context - Ontario</b> .....	6
<b>4.1 Provincial Context - Quebec</b> .....	7
4.1.1 Quebec Case Law .....	7
4.1.2 « Bureau des audiences publiques sur l’environnement » (“BAPE”).....	8
4.1.3 James Bay and Northern Québec Agreement.....	9
4.1.4 Conclusion for Quebec.....	9
<b>4.2 Provincial Context - British Columbia</b> .....	10
4.2.1 Treaties .....	10
4.2.2 Legislation .....	11
4.2.3 Policies .....	12
<b>4.3 Provincial Context - Yukon</b> .....	13
4.3.1 Land Settlement Agreements .....	13
4.3.2 Legislation .....	15
4.3.3 Recent Key Decision.....	15
<b>5.1 Ontario</b> .....	17
5.1.1 Step 1: Determine if the Duty Exists .....	17
5.1.2 Step 2: Determine the Scope of that Duty.....	18

5.1.4 Step 4: Determine if Accommodation is Required .....	19
5.1.5 Step 5: Determine Reasonable Accommodation .....	19
<b>5.2 Quebec (In French) .....</b>	<b>20</b>
5.2.1 Première étape : élaborer un processus de consultation adaptée.....	20
5.2.2 Deuxième étape : mettre en oeuvre la consultation .....	21
5.2.3 Troisième étape : analyser la consultation .....	21
<b>APPENDIX A_ Laws and Regulations and in Common Law Decisions.....</b>	<b>23</b>
<b>APPENDIX B_ Jurisprudences and Court decisions in Canada .....</b>	<b>40</b>
<b>APPENDIX C_ Map of treaties and location of agreements with FNs .....</b>	<b>44</b>
<b>APPENDIX D_ List of FNs agreements in Ontario and Quebec .....</b>	<b>3</b>

## 1. Why Have an Aboriginal Engagement Policy?

Agnico Eagle Mines (AEM) owns and operates mining projects in areas where Aboriginal people have both proven and asserted Aboriginal and Treaty rights, as recognized by Section 35 of the Canadian Constitution.

In Ontario, FNs rights are entrenched in treaties which cover most of the province and it is the norm to formalize a relationship between the company and FNs with the signature of an agreement as early as exploration. For example, within our current partnership at Canadian Malartic Corporation (CMC), we signed some agreements with FNs in Ontario and we also have to consult with the Quebec 'sister nations' of these FNs for the extension of Barnat in Malartic; therefore our policy is clarifying the expectation of the company to enhance our social acceptability in the region where we are operating.

Moreover, during the recent negotiations with FNs in Ontario, the leaders of the FNs did enquire about the CMC to have access to their "policy of engagement with FNs". CMC indicated that it was in development. Of course, AEM Canada should have its own policy to guide/support the CMC policy and to respond to the political pressure coming from the communities in Quebec who want to be treated equally to their sister bands in Ontario.

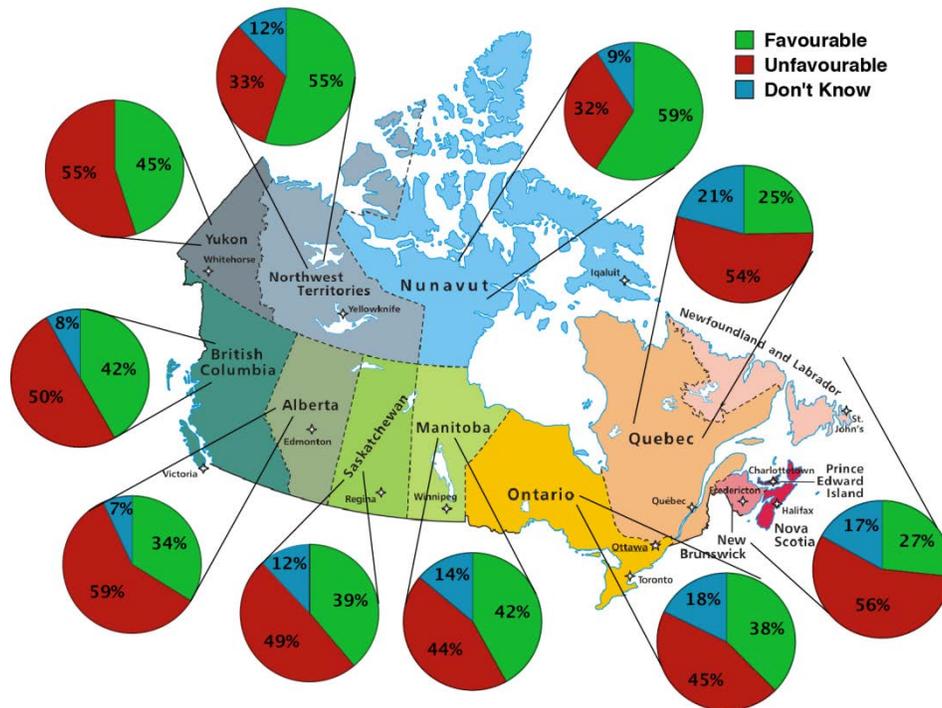
When evaluating the need for an Aboriginal Engagement Policy in Canada, AEM also considered:

- **Government Requirements:** That a project such as Akasaba West is subjected to both provincial (BAPE) and federal (CEAA) environmental assessment processes and as such requires meaningful consultation with potential affected Aboriginal communities.
- **Project Schedule:** A policy facilitates consultation (a legal requirement) and expedites the permitting process.
- **Community Expectations:** First Nations are well organized and no longer accept being "politely" consulted. In Ontario, even though there is no legal obligation to sign an Impact Benefits Agreement, some First Nations have made such an agreement compulsory to gain access to their traditional land.
- **Supreme Court Decisions:** In recent years, government, industry and community roles were clarified by various court decisions. Examples include the Haida Decision, Keewatin Decision, Taku Decision, Mikasew Decision and Tsilhqot'in Decision (Appendix B).
- **Industry Standards:** A number of mining companies have signed agreements, making it a standard practice (Ring of Fire commitment, Victor Mine IBA, Newgold IBA (Metis and FNs), Detour Gold IBA (Metis and FNs), etc.). In Quebec, within the James Bay treaty area IBAs have also been negotiated (Goldcorp Eleonore, Sotrnoway Renard). A policy would help keeping these expectations in check.
- **Social Acceptance:** First Nations support is now part of the 'social license' to operate in any new project. We need to recognize it and to make sure that we obtain it.
- **Potential political changes:** The Federal Liberal government elected in the fall 2015 in Canada has promised to implement the UN Declaration of the Rights of Indigenous Peoples (which included the concept of Free Prior Informed Consent), although it is not clear yet what form this will take.

## 2. Aboriginal Community Support for Mineral Activities in Canada

The recent survey from the PR group, published in November 2014 demonstrates the level of “satisfaction” of Aboriginal Canadians’ with the mineral exploration and mining industry by Province and Territory. The results highlight the importance of having sound Aboriginal engagement practices to increase the long term success of mining activities within their Traditional Lands.

**Figure 1: Aboriginal Support for Mineral Activities in Canada (2014)**



## 3. Objectives of the Policy

Agnico Eagle Mining’s Aboriginal Engagement Policy recognises the fact that more than ever mining activities are taking place on First Nations traditional lands in Canada.

As such, the policy aims to:

- Provide a framework for the establishment of the relationship and its inclusion into an agreement.
- Demonstrate the commitment of Agnico Eagle Mining (AEM) to engage in a respectful dialogue with First Nations to ensure that mining activities on Traditional Lands could be beneficial for all the parties involved through the implementation of specific protocols and agreements.
- Ensure that all our consultation and accommodation practices are in line with the different legal frameworks that govern First Nations engagement in Canada.
- Provide clarity to all our managers in Canada of the expectation in terms of consultation and accommodation from the First Nations, and the corresponding expectations for different types of agreement dependant on the stage of development of a mining project.

### **3.1 Types of Agreements**

There are several ways to undertake Aboriginal engagement with our First Nations partners when planning mining activities on Traditional Lands. Aboriginal engagement takes place on a spectrum, ranging from simple information sharing to direct involvement in decision making. To determine the appropriate level of engagement, consideration should be taken to the potential effect of the proposed mining activities on the community.

The phase of the mining project (exploration, construction, operations, closure) and the proximity of the community to the proposed activities will directly influence the type of agreement that is required and the level of community involvement that is seen on the project.

The following range of agreements provides for a staged approach to engagement throughout the phases of a mining project's life cycle.

#### **A. Letter of Intent (LOI)**

Before a detailed agreement is negotiated, a letter of intent can be signed which acknowledges the presence of the community and states the intent of the mining company to come to an agreement in the future. It is typically the first level of agreement requested by the First Nations during the very first steps of engagement with mining companies. An LOI demonstrates willingness from both parties to engage in a dialogue. It is indicating that subsequent agreements will emerge through the ongoing phases of a project

#### **B. Communication Protocol**

Many First Nations communities have developed protocols which detail the way they would like to be engaged. These types of protocols typically include key contacts, type of communications expected and preferred format for these communications. A detailed Communication Protocol may also lay out a schedule of meetings and methods for meeting minute distribution, etc.

#### **C. Exploration Agreement**

An exploration agreement typically outlines specific communications and tangible benefits that will be provided to the community throughout the exploration phase of a project. An exploration agreement would likely include provisions for contracts, employment and training opportunities. Many communities would also like to be included in field work and environmental monitoring on site. In Ontario, this agreement is necessary to initiate drilling activities in a project.

#### **D. Memorandum of Understanding (MOU)**

Similar to a letter of intent, a Memorandum of Understanding allows for activities to move forward while a formal long term agreement is being negotiated. An MOU may include specific milestones and communication plans and be directly tied to the permitting process.

#### **E. Impact Benefit Agreement (IBA)**

An Impact Benefit Agreement is most appropriate once the decision has been made to move forward with construction of a project. The nature of an IBA is that the mining company is acknowledging the mine will have a negative impact on the community and is prepared to compensate for this impact by providing benefits. For this reason an IBA generally includes cash payments or issuance of shares, which can also be tied to achieving development or regulatory milestones. Similar to all other agreements, an IBA also has communication provisions, including committee work, education, training and contract opportunities.

### **3.2 Protocol Opportunity**

Type of agreement that exist in the western part of the country for First Nations that are not Treaty signatories and retain Aboriginal rights to their Traditional Lands. These First Nations have not ceded their rights to self-government and can be seen as having more direct and legal control over larger land bases.<sup>5</sup> The Legal Context

The Canadian Constitution explicitly acknowledges Aboriginal and Treaty rights and the Crown's Duty to Consult. Although Canadian Law applies to all jurisdictions within the country, provincial regulatory approaches differ and the law applies differently to jurisdictions depending on the treaties that are covered and the communities that are present.

### **3.3 Canadian Context**

Although the duty to consult rests with the Crown, many procedural aspects of this duty are delegated to the proponent of a proposed development. One such important regulatory process which clearly designates responsibility directly to the mining company is the Federal Environmental Assessment process, led by the Canadian Environmental Assessment Agency (CEAA).

The CEAA process requires that the mining company adequately consult Aboriginal communities that will be potentially affected by the proposed development. The Crown is ultimately responsible for ensuring that the Duty to Consult and, where appropriate, accommodate is fulfilled. Therefore, in their Environmental Assessment approval decision the Minister of Environment will evaluate whether the proponent has adequately consulted with Aboriginal communities and whether further consultations are required to be undertaken by the Crown to fulfill its consultation obligations (Appendix A).

### **3.3.1 The Tsilhqot'in Decision**

The 2014 Supreme Court of Canada's Tsilhqot'in decision was a landmark decision that for many reasons; the main being that for the first time Aboriginal title has been recognized by the Supreme Court of Canada.

Aboriginal title is in essence recognition of land ownership and the right to self-government. Although all First Nations in Canada have Aboriginal rights, Aboriginal title is only present when a treaty has not been signed, because with the signing of a treaty, the First Nation ceded its Aboriginal title in exchange for money, goods and reserve lands. .

Although some First Nations may consider that the Tsilhqot'in decision has expanded the duty of consultation, the immediate and direct legal impact of the Tsilhqot'in decision is limited, because it only applies to situations where Aboriginal title has been proven.

Now that the process and requirements for proving Aboriginal title are clearer than before, First Nations will likely pursue more claims to Aboriginal title in court. In the context of controversial projects, there is strategic value for First Nations to launch title claims: once Aboriginal title is proved, the government and project proponent must obtain consent from the title-holding group if the project is to proceed, unless any impacts of the project on Aboriginal title can be "justified."

When Aboriginal title is established, it may be necessary for the Crown to reassess prior conduct in light of the new reality in order to faithfully discharge its fiduciary duty to the title-holding group going forward. For example, if the Crown begins a project without consent prior to Aboriginal title being established, it may be required to cancel the project upon establishment of Aboriginal title if continuation of the project would be unjustifiably infringing on that title.<sup>1</sup>

This raises some issues which could be tested by First Nations opposed to the development of controversial projects:

- Where consent is given in an agreement with a project developer but not the government, is that consent sufficient to justify an infringement of Aboriginal title?

The Tsilhqot'in decision may also represent a shift from the exclusivity of government in its duty to consult. For the first time, the Supreme Court identified that "the right to control the land conferred by Aboriginal title means that governments and others seeking to use the land must obtain the consent of the Aboriginal title holders".<sup>2</sup> This may open the door to an argument that aboriginal consent provided to a project proponent may be sufficient to justify any infringements on aboriginal title caused by that project.

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- Does the language of consent in any existing agreement really demonstrate the aboriginal group's consent to infringements of proven aboriginal title?

First Nations may challenge the covenants that they gave in existing agreements to determine: (i) whether the consent language is sufficient to constitute aboriginal consent as described in Tsilhqot'in; and (ii) whether it can truly be said that the Aboriginal group intended to consent to infringements of Aboriginal title as contemplated in Tsilhqot'in.

The concept of consent opens the door for complaints by First Nations members that the people consenting did not have the authority to do so, or that consent was given based on misrepresented facts. These questions may raise enough doubt about the effect of existing consents to allow an opposing First Nation to object to a controversial project despite the existence of Impact Benefit Agreements or government-to-government agreements.

The impacts of the Tsilhqot'in decision are yet to be seen, but this decision will certainly be used by First Nations, even before title is proved, to take a stronger and more pro-active approach to the management of development in their traditional territories

#### **4. Provincial Context - Ontario**

In Ontario, a record of consultation is required to be submitted with permit applications for mining activities, including early exploration and license of occupation applications. Contact with Aboriginal - First Nation and Métis-communities should be made and maintained throughout the mining sequence, in order to ensure that Aboriginal rights and/or treaty rights are not adversely affected.

The government of Ontario has the duty to consult and accommodate, however the *Ontario Mining Act* (2011) transferred the procedural aspects of that duty to consult to mining companies. The process to obtain an exploration permit in Ontario explicitly requires that the company consults and accommodates Aboriginal people whose traditional territories are potentially impacted.

The *Ontario Environmental Assessment Act* also requires Aboriginal consultation throughout the preparation of an Environmental Assessment (EA) Report. However in Ontario, not all mining projects are subject to the provincial EA process, depending on the scope of the project, the land ownership and the historic land use. The industry trend has been to volunteer for an Individual EA at the provincial level because of regulator pressure and to increase a project's overall social acceptability.

Also of note is that the land use planning process outlined in Ontario's *Far North Act (2012)*, now permits Aboriginal communities in Ontario's Far North to apply to have sites or tracts of land with Aboriginal cultural significance set aside for conservation so mining claims cannot be staked.

#### **4.1 Provincial Context - Quebec**

In Quebec, the new Mining Act says that the government shall consult with First Nations but also that rights and interests of Native communities is an integral part of reconciling mining activities with other possible uses of the territory (see Appendix A). Accommodation is not mentioned anywhere in the Act. A guide for consultation is expected to be produced giving out the details of what is expected from the proponent. To date, this guide has not been published yet which challenge the legal background to initiative or not consultation and accommodation. Nevertheless, the following section provides some support to guide each projects in such decision.

##### **4.1.1 Quebec Case Law**

The main case in the resource-extraction industry regarding the duty of consultation and accommodation was the one involving Kruger inc. and the Betsiamites First Nation (known today as Pessamit First Nation, an Innu First Nation of the Baie-Comeau region). The case went up to the Court of Appeal of Quebec and was rendered in the mist of the Haida decision in 2006.

The First Nation was requesting a safeguard order against the timber supply and forest management agreement attributed to Kruger in 1997 for which it claimed that it was not consulted. The safeguard order was awarded by the Superior Court, but the Court of Appeal rejected the safeguard order motion. The Court of Appeal stated that the notion of urgency was not present in the case, as the timber supply and forest management agreement was awarded in 1997, 8 years before the decision of the Superior Court. Moreover, the Court underlined the fact that the duty of consultation and accommodation does not give a veto power to the First Nations on the use of the claimed ancestral lands and the fact that Kruger made some efforts to satisfy the requests of the First Nation. The request of the First Nation for a permanent cessation of work was considered too extreme and could not be considered as an accommodation proposal.

In a more recent decision, PF Résolu Canada Inc. c. Wawatie rendered in 2012, the Superior Court granted a safeguard order to PF Résolu Canada Inc. (“Résolu”) to prohibit the interference actions of the Algonquin of Barriere Lake and of some specific individuals to stop the operations of Résolu. In its ruling, the judge underlined the efforts of the Provincial Crown to consult the First Nation (annual consultations regarding the logging operations territories) and the lack of collaboration on the side of the First Nation to inform the government of its concerns. The judge rendered its decision on the fact that the interference activities of the First Nation would cause irreparable harm to Résolu. In this case, the First Nation should have proceeded by way of a Haida motion and as such, invoking the lack of consultation and accommodation in a situation of violation of claimed ancestral rights.

In 2014, in Manatch c. Louisiana-Pacific Canada Ltd., and on similar facts in PF Résolu Canada Inc. c. Wawatie, the plaintiffs who represent First Nation families allegedly holding an aboriginal title over the land claimed that the government has the duty to consult them prior to giving authorization for logging activities. The judge rejected the safeguard order based on the lack of proof of representativeness of the plaintiffs over their community and on the fact that an aboriginal title is held by a collectivity and not by individuals.

Further to the decision by the Superior Court in *PF Résolu Canada Inc. c. Wawatie* rendered on June 26, 2014, the Court of Appeal on September 30, 2014 dismissed the motion for a leave to appeal by the First Nation families. The decision of the Superior Court concerned a cross demand filed by the First Nation families further to the decision in *PF Résolu Canada Inc. c. Wawatie* rendered in 2012. The First Nation families requested the recognition of their aboriginal title over certain territories. The Superior Court dismissed the cross demand based on two reasons (1) the recognition of an aboriginal title should proceed in a distinct proceeding other than the one initiated by Résolu and (2) an aboriginal title can only be claimed by a recognized First Nation and not by individuals or families. The First Nation families filed a motion for a leave to appeal to the Court of Appeal and as mentioned, the Court of Appeal dismissed the motion on the notion that a declaration of aboriginal title should be requested to the Crown directly in a distinct proceeding and not as cross demand in a proceeding initiated by a private entity. However, the Court of Appeal mentioned that the issue of who can claim an aboriginal title is an interesting issue which deserved to be argued.

On September 2014, in *Uashaunnuat (Innus de Uashat et de Mani-Utenam) c. Compagnie minière IOC Inc. (Iron Ore Company of Canada)*, the First Nation sued the mining company for violation of aboriginal title, ancestral rights and treaty rights for \$M 900 in a declaratory judgement involving Iron Ore Company of Canada (“Iron Ore”), the Québec North Shore and Labrador Railway Company Inc. and the Attorney General. This decision concerns the Iron Ore’s motion to dismiss action made on the ground that the duty of consultation and accommodation concerns the Crown and not private company. The Superior Court dismissed the Iron Ore’s motion and stated that the First Nations can sue a private company on the ground of extracontractual responsibility (section 1457 of the Civil Code of Quebec) and that at this stage, the Court cannot conclude that the First Nations would not be able to prove a fault, a prejudice and a causal link between the fault and the prejudice.

Regarding the arguments made by the First Nation concerning the violation of the aboriginal title, of ancestral rights and of treaty rights and the duty of consultation and accommodation, the judge stated that they could be analysed in the same proceedings because the Attorney General was notified by the First Nation and it is now involved in the case. As such, the case will cover at the same time the issue of the duty of consultation and accommodation, the proof of aboriginal title, ancestral rights and treaty rights and the extra contractual responsibility of Iron Ore and of Québec North Shore and Labrador Railway Company Inc.

Although the judge did not create a situation where a private company will have to prove the respect of the duty of consultation and accommodation, this case might frame the responsibility of private company in regards to neighbouring First Nations.

#### **4.1.2 « Bureau des audiences publiques sur l’environnement » (“BAPE”)**

Regarding the public hearings by the BAPE, the First Nations, as any other party, may submit a brief and express their opinion during the public hearing process, hence the importance to demonstrate proper diligence for a consultation process. More and more, the BAPE in its reports relies on the information

provided by First Nations and exposes its concerns when such First Nations are involved in the BAPE process.

However, the commissioners of the BAPE will usually not comment on the scope and the content of the duty of consultation and accommodation and its fulfillment by the proponent of the project.

#### **4.1.3 James Bay and Northern Québec Agreement**

The James Bay and Northern Québec Agreement (“JBNQA”) is the only modern treaty within the Quebec territory. It provides a limited territory on which the agreement applied and provides procedure for project development on the territory under treaty depending on which part of the territory the project is situated as the territory is divided in three type of lands (Category I, II and II Lands).

The JBNQA involves only three Aboriginal communities: the Inuit, the Naskapi and the Cree. The Algonquin are not part of the JBNQA and as such, the JBNQA has no impact on them. However, the Algonquin, as other First Nations, could have the tendency to take a similar approach towards natural resources projects to be developed on their traditional lands as the Cree have taken in the JBNQA territory.

#### **4.1.4 Conclusion for Quebec**

In some situations, the lack of involvement of governments in respect to their duty of consultation and accommodation increases the pressure on promoters to enter into agreements with First Nations or at least, keep them informed of their projects. Moreover the recent jurisprudence, in particular the Tsilhqot’in decision, grants recognition to ancestral rights and as such, puts additional pressure on private promoters to consult with and accommodate First Nations.

However, the major issue is to determine if there is any obligation to enter into discussions with First Nations in order to conclude agreements in relation to certain specific operational aspects of projects. In relation to the Algonquin, there exists little ground to support such an obligation.

Notwithstanding the preceding, each project is different and specific in its characteristics as well as to its impacts on traditional activities of First Nations. In that context, analyzing the facts in order to determine the necessity to consult with and accommodate an Aboriginal community, one must take into consideration the following:

- The location of the project is critical in relation to the claimed traditional territory, to migratory corridors of animals being hunted and trapped by the community, to sacred or cultural sites, etc. and
- The impact of the project in relation to hunting, fishing, trapping, harvesting, cultural and other traditional activities;

Also, the occupancy of the territory on which the First Nation wishes to assert its title must be clearly demonstrated and when this occupancy is very important on proximate to the project, then level of

consultation and accommodation is higher and must be taken into consideration in the context of the process put in place to ensure that such is to be satisfied.

Finally, beyond the duty to consult with and accommodate First Nations, which is a concept that was elaborated by the jurisprudence, a current trend has been developing and taking more importance in the Province of Quebec, in that promoters need now to demonstrate social acceptability of their project by aboriginal communities to be approved by the permitting authorities. In that context, if a First Nation is a neighbouring community, then such would justify that a promoter attempts to establish a working relationship with such aboriginal community, since it should be considered as being a stakeholder like any other neighbouring community that is proximate to the project. For proceeding to do so, a promoter must act with caution and analyze all of the facts before entering into such discussions.

## **4.2 Provincial Context - British Columbia**

### **4.2.1 Treaties**

In British Columbia, the process of consultation is dependent upon the area of the province the project is located in. First Nations rights in British Columbia are grounded in either modern treaties, historical treaties or asserted Aboriginal rights and title. Appendix C contains a map which shows the location of historical treaties in Canada, including Treaty 8, covering the largest area of the historical treaties in British Columbia. A map of treaty negotiations and final agreements in British Columbia is contained in Appendix D. This map illustrates the overlapping nature of the First Nations traditional territories and highlights to importance and challenges of ascertaining which groups need to be consulted with.

#### *Modern Treaties*

In British Columbia, a number of modern treaties have been negotiated between First Nations, the Government of British Columbia and the Government of Canada. Some examples of modern treaties include:

- **Nisga'a Final Agreement** - providing the Nisga'a Nation with the right to self-govern and ownership over 2,019 square kilometers of land in Northwest British Columbia
- **Tsawwassen Final Agreement** - providing the Tsawwassen First Nation with the right to self-govern and ownership over approximately 724 hectares of land in Southwest British Columbia
- **Maa-nulth First Nations Final Agreement** - providing the five Maa-nulth First Nations (Ucluelet First Nation, Huu-ay-aht First Nations, Toquaht Nation, Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations, and Uchucklesaht Tribe) with the right to self-govern and ownership over approximately 24,550 hectares of land along the west coast of Vancouver Island.

Modern treaties generally contain a comprehensive process for consultation. While the process of consultation will likely be included in a modern treaty, in *Little Salmon*, the Supreme Court of Canada has found that modern treaties do not absolve the government of their duty to consult. The duty to consult may still arise when rights are grounded in modern treaties if the government decision or action has the potential to adversely impact treaty rights. Under most modern treaties, it is likely that consent will be required to develop a project on lands covered by these treaties.

#### *Historical Treaties*

Unlike modern treaties, historical treaties do not contain a comprehensive consultation process. Despite the absence of a process within the treaty, consultation is still required as in accordance with the common law. The Supreme Court of Canada laid out the framework for consultation in the *Haida* case, which is outlined in section six of this policy. The Supreme Court of Canada determined that the *Haida* framework is applicable in the context of historical treaties in the *Mikisew* case.

#### *No Treaty*

In areas where no modern or historical treaties exist, the *Haida* framework for consultation is applied as set out in section six.

#### **4.2.2 Legislation**

Although the duty to consult rests with the Crown, many procedural aspects of consultation may be delegated to the proponent of a proposed development. The federal environmental assessment process, led by the Canadian Environmental Assessment Agency and set out in the *Canadian Environmental Assessment Act, 2012*, (“CEAA”) is one avenue by which responsibility for consultation is delegated to the proponent of a project in British Columbia.

The CEAA process requires that the project proponent adequately consult Aboriginal communities that will be potentially affected by the proposed development. The Crown is ultimately responsible for ensuring that the duty to consult and, where appropriate, accommodate is fulfilled. Therefore, in their environmental assessment approval decision, the Minister of Environment will evaluate whether the proponent has adequately consulted with Aboriginal communities and whether further consultations are required to be undertaken by the Crown to fulfill its consultation obligations.

In addition to a federal environmental assessment, a provincial environmental assessment may be required if the mining project is “reviewable project” under the BC *Environmental Assessment Act* (“BCEAA”) and applicable regulations. The provincial government is required to consult with First Nations during the environmental assessment process prior to the issuance of an environmental assessment certificate and often delegates procedural aspects of consultation to the project proponent. A proponent who applies for an environmental

assessment certificate is required to conduct a public consultation program and provide a summary of consultation activities that have already been carried out.

#### 4.2.3 Policies

The government of British Columbia has developed a number of policies and guides regarding the duty to consult including:

- “Guide to Involving Proponents When Consulting First Nations”; and
- “Updated Procedures for Meeting Legal Obligations When Consulting First Nations”<sup>3</sup>.

The “Guide to Involving Proponents When Consulting First Nations” emphasises early engagement with First Nations in order to build relationships and identify concerns about the proposed activity. The Guide also outlines a number of procedural activities that may be delegated to the proponent, including:

- participating in meetings with Provincial representatives and First Nations;
- participating in their own meetings with First Nations;
- providing information to First Nations about the proposed activity and how it could happen, where it could occur (maps) and what the potential impacts may be to lands and resources;
- obtaining or discussing First Nations concerns which may include information about Treaty rights or asserted or established Aboriginal rights and title that may be impacted by the proposed activity, how the proposed activity may impact identified Treaty rights or asserted or established Aboriginal rights and title; and
- discussing possible mitigation options to address impacts to Aboriginal Interests.

The province has developed the Consultative Area Database (see <http://geobc.gov.bc.ca>) to assist proponents in identifying which First Nations to engage.

The “Updated Procedures for Meeting Legal Obligations When Consulting First Nations” outlines the Province’s procedure and approach to consulting and accommodating First Nations where the duty to consult has been triggered.

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<sup>3</sup> These and other guides are available at <http://www2.gov.bc.ca/gov/content/environment/natural-resource-stewardship/consulting-with-first-nations>

## **4.3 Provincial Context - Yukon**

### **4.3.1 Land Settlement Agreements**

As historical treaties were never concluded in Yukon, the government is in the process of negotiating and implementing agreements with First Nations through a land claims process outlined in the Umbrella Final Agreement (“UFA”), passed into legislation in 1995. Following the framework of the UFA, eleven of the fourteen Yukon First Nations have settled agreements with the government, providing those First Nations with access, rights and obligations to land and resources and the right to govern their own affairs. Three first nations, Liard First Nation, Ross River Dena Council (both part of the larger Kaska First Nation (the “Kaska”)) and White River First Nation have not yet settled their land claims. A map of the traditional territories of Yukon First Nations is contained at Appendix E.

#### *Consultation with First Nations with Settled Agreements*

Consultation with the eleven First Nations who have settled land claims is governed by the UFA. However, as outlined in *Little Salmon*, this modern treaty does not eliminate the duty to consult.

#### *Settlement Land*

Under the UFA, a land base of approximately 41,595 square kilometres, about 8.5% of the total land area of Yukon, was identified as Settlement Land. A map of Yukon Land Status, including Settlement Lands is contained at Appendix F. The UFA sets out three types of Settlement Land that First Nations will own and manage:

- *Category A Settlement Land*: complete ownership of surface and sub-surface including right to use resources below the land such as minerals and oil and gas. Aboriginal title is retained by the First Nation.
- *Category B Settlement Land*: complete ownership of the surface of the land only, no right to Mines and Minerals, but with the right to take and use specified substances without payment of royalties (such as limestone, marble, shale, slate, etc). Aboriginal title is retained by the First Nation.
- *Fee Simple Settlement Land*: fee simple title to land, no right to Mines and Minerals, but with the right to take and use specified substances without payment of royalties (such as limestone, marble, shale, slate, etc). Aboriginal title is not retained by the First Nation.

#### *Existing Mineral Rights*

All types of Settlement Lands with existing licences, permits or other rights for Mines and Minerals will continue to be administered by the government; however, royalties collected

from the production of minerals on Category A Settlement Lands will be paid to the First Nation. The First Nation will also receive rent from an existing surface lease of a holder of a mineral right on all three categories of Settlement Land. A holder of an existing permit or other rights for Mines and Minerals has a right to access all types of Settlement Land for the purpose of exercising their rights, provided the access is of casual or insignificant nature or the route travelled is recognized and used, in either case, the route must not be altered significantly. Considering these stringent guidelines, it is likely preferable to obtain consent to access Settlement Lands.

On Category A Settlement Land, if an existing mineral right lapses, it cannot be restaked under Yukon legislation. Mineral exploration and development is regulated solely by the First Nation and the First Nation is the governmental authority that is authorized to issue title to any minerals and collected all royalties on Category A Settlement Land.

#### *New Mineral Rights*

On Category B and Fee Simple Settlement Land, the Yukon government administers acquisition of title to minerals and regulation of mining activity. Before renewing, replacing or granting a new licence, permit or right on Category B or Fee Simple Settlement Land, the Yukon government must consult with the affected First Nation.

A holder of a new mineral right on Category B or Fee Simple Settlement Land has a right to access the Settlement Land without consent of the affected First Nation and can use the Settlement Land provided no heavy equipment is used or methods more disruptive than hand labour methods are used. If activities are above these parameters consent from the First Nation or an order under the *Yukon Surface Rights Board* must be obtained to access the Settlement Land.

#### *Consultation with First Nations without Settled Agreements*

Consultation with the Kaska and White River First Nation must be carried out in accordance with the *Haida* framework, as their rights are not grounded under a modern treaty.

The Kaska have traditionally been a litigious group with respect to resource development within their traditional territory. Despite this fact, the Kaska have reached Socio-economic Participation Agreements (“SEPA”) with a number of project proponents, including mining companies, in recent years. SEPA’s generally outline the benefits and opportunities created by the project for the Kaska and set out a framework for relations between the Kaska and the project proponent in order to obtain the Kaska’s consent for the project to proceed. Practically speaking, negotiating a SEPA with the Kaska for projects within their traditional territory will help to alleviate uncertainty and avoid potential litigation.

### 4.3.2 Legislation

Unlike other Canadian jurisdictions, the *Canadian Environmental Assessment Act, 2012* does not apply in Yukon. For projects in Yukon, the *Yukon Environmental and Socio-economic Assessment Act* (“YESAA”) legislates the environmental assessment process. YESAA contains a number of requirements for consultation with Yukon First Nations. Under YESAA, before submitting a proposal for a project, the proponent of the project is required to consult any First Nation in whose territory, or the residents of any community in which, the project will be located or might have significant environmental or socio-economic effects.

Under YESAA, First Nations play an active role in the environmental assessment process. If the executive committee concludes that the effects of the project are likely to occur primarily on settlement land, two thirds of the members of the decision board must be nominated to the board by the Council of Yukon First Nations. If it is determined that the effects are likely to occur primarily on non-settlement land, one third of the members of the decision board must be nominated by the Council for Yukon First Nations. In any other case, one half of the decision board will be nominated by the Council of Yukon First Nations.

Further consultation requirements are contained in the *Quartz Mining Act* and the *Placer Mining Act*. In *Ross River Dena Council*, the Yukon Court of Appeal determined that free entry mining regime under the *Quartz Mining Act* had to be adjusted to provide for early consultation with First Nations prior to exploration activities that may adversely affect the exercise of Aboriginal rights. As a result, the Yukon government amended the *Placer Mining Act* and the *Quartz Mining Act* to include provisions requiring notification to and consultation with First Nations whose existing or asserted Aboriginal or treaty rights may be affected, prior to Class 1 placer land use operation or Class 1 exploration programs within Designated Areas<sup>4</sup>.

### 4.3.3 Recent Key Decision

#### *Tsilhqot'in*

The 2014 Supreme Court of Canada’s *Tsilhqot'in* decision was a landmark decision, the Tsilhqot'in have proven Aboriginal title to the area claimed in the Supreme Court of Canada, a first in Canada.

Aboriginal title gives the title-holding group the right to exclusive use and occupation of the land, the right to determine the uses to which the land is put and to enjoy the economic benefits of the land. In *Tsilhqot'in*, the Supreme Court of Canada made it clear that the rights associated with Aboriginal title are only available after Aboriginal title has been established.

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<sup>4</sup> Criteria for Class 1 placer land use operation is set out in the *Place Mining Land Use Regulation*, Class 1 is the least invasive and smallest Class of operation. Criteria for Class 1 exploration programs is set out in the *Quartz Mining Land Use Regulation*, Class 1 is the least invasive and smallest Class of exploration program.

Prior to the establishment of Aboriginal title, the Crown is required to consult in good faith with Aboriginal groups asserting title to land.

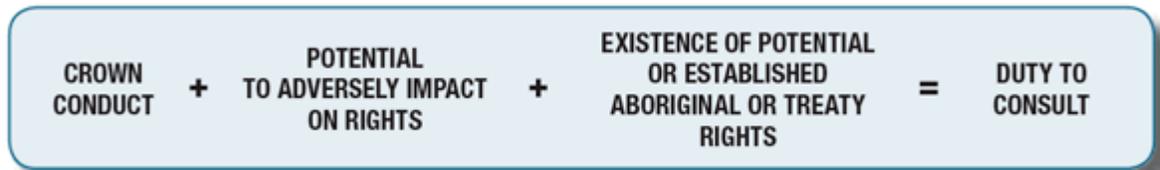
When Aboriginal title is established, it may be necessary for the Crown to reassess prior conduct in light of the new reality in order to faithfully discharge its fiduciary duty to the title-holding group going forward. For example, if the Crown begins a project without consent prior to Aboriginal title being established, it may be required to cancel the project upon establishment of Aboriginal title if continuation of the project would be unjustifiably infringing on that title.

The full impacts of the *Tsilhqot'in* decision are yet to be seen, but this decision will certainly be used by First Nations, even before title is proved, to take a stronger and more pro-active approach to the management of development in their traditional territories

## **5. The Duty to Consult: A Stage by Stage Approach**

Consultation with Aboriginal communities should take place in a step by step process that allows careful consideration and errs on the side of caution and inclusiveness. As illustrated in Figure 1, in order for the duty to consult to be triggered, Crown conduct (or Crown decision) must have the potential to affect established or asserted Aboriginal or Treaty rights.

**Figure 2: Triggering the Duty to Consult**



### **5.1 Ontario**

#### **5.1.1 Step 1: Determine if the Duty Exists**

It is the responsibility of the Crown to determine if a Duty to Consult exists for a proposed development project. The Crown holds this responsibility because it has a fiduciary duty to the Aboriginal people of Canada, and as such must protect their rights from being infringed upon by changing land use or developments. The government agency representing the Crown (ex. Minister of Aboriginal Affairs, Ministry of Northern Development and Mines, Canadian Environmental Agency) will often provide a list of Aboriginal communities that must be engaged by a proponent for a specific project.

#### **Be Inclusive – Especially in the Beginning**

A relatively low threshold triggers the Duty which can be applied to not only proven rights but also asserted rights. If a community states they are interested in the project and believes their rights may be affected by the project, the Duty will be triggered.

While the threshold to trigger the duty to consult with an Aboriginal community is low, the “Haida Test” requires “demonstration of a causal connection between the proposed Crown conduct and a potential adverse impact on an Aboriginal claim or right.” Understanding more about the way the community members use the land and sharing details of the proposed project with them can eliminate community concerns, illustrate the project will not affect a community and reduce the overall number of communities interested in being engaged on the project.

### 5.1.2 Step 2: Determine the Scope of that Duty

Once it has been determined that the duty to consult is triggered, the next stage is to determine the scope and content of that duty and begin the consultation process. The duty to consult is proportionate to the strength of the case supporting the existence of the right or title, and the seriousness of the potentially adverse effect upon the right or title.

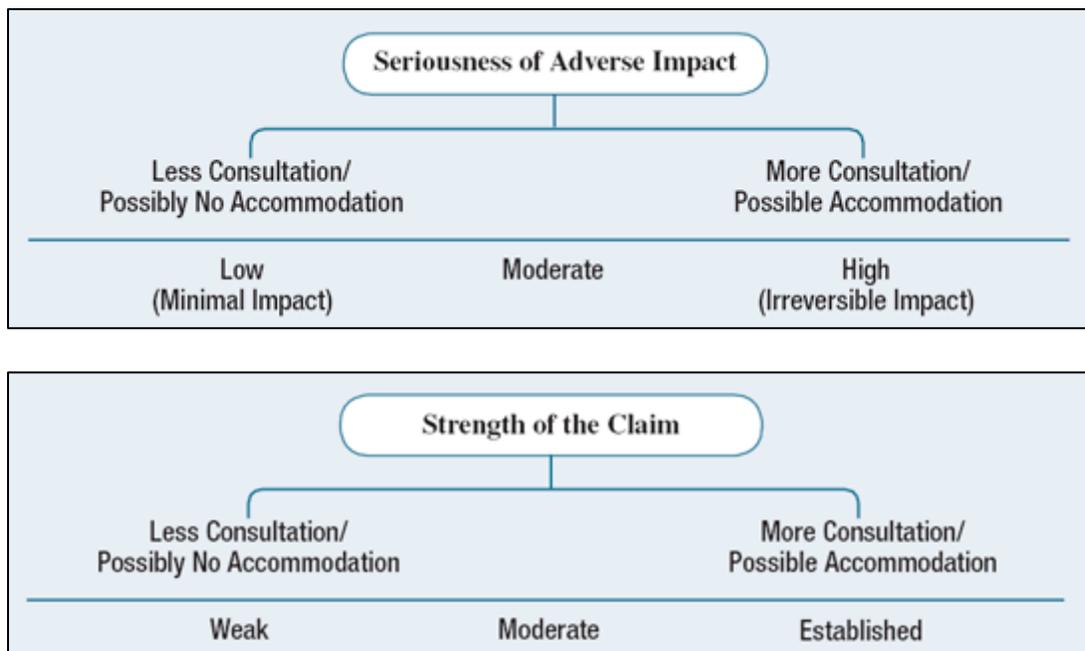
#### The Burden of Proof is on the Company

Problems of limited proof and poorly defined claims are generally addressed by varying the content to the duty, not by denying the existence of a duty.

#### Consultation Takes Place on a Spectrum

As shown in Figure 2, varying degrees of consultation are required depending on the seriousness of the adverse impact and the strength of the Aboriginal community's claim. These different levels of consultation fall along a spectrum, which was published in the Supreme Court of Canada's Haida Decision, and is commonly known as the "Haida Spectrum". Even when low on the spectrum of consultation, the Crown has an obligation to ensure that the potentially affected Aboriginal community is provided with sufficient information to understand the nature of the decision and respond with concerns.

Figure 3: The Haida Spectrum: Seriousness of Adverse Impact and Strength of Claim



### **Consult the Community Not the Individual**

A key consideration is to ensure consultation takes place with the Aboriginal community and not the individual Aboriginal person. The Supreme Court of Canada acknowledged that the duty to consult exists to protect the collective rights of Aboriginal peoples and is owed to the Aboriginal group that holds such rights. The Aboriginal group can authorize a representative to assert its rights, such as the Chief, Lead Negotiation or Band Manager, but many key decisions, such as the acceptance of an agreement with a mining company, may also have to be passed through a band resolution. Efforts to engage directly with community members at large should also be made.

The actions and concerns of dissident band members should be respected but should not frustrate good faith efforts on the part of the community leadership to engage in meaningful consultation.

### **Expect Two Way Information Sharing**

Both the project proponent and the First Nation have obligations to provide information to the process. For its part, AEM must reasonably ensure that the First Nation is provided with all necessary information in a timely way. This information must include sufficient data for the First Nation to make a reasonable assessment of project's impacts on its rights. Providing capacity for the community to be involved in a meaningful way is often required throughout the process. A reciprocal duty falls on the First Nation to help facilitate the assessment of the asserted rights by outlining its concerns with clarity.

#### **5.1.4 Step 4: Determine if Accommodation is Required**

The fact that the duty to consult arises does not always lead to accommodation. In the appropriate circumstances therefore, consultation may lead to accommodation, but if the result of consultation is that either there is no case for the asserted rights or that the consequences of the Crown decision (the proposed mining project) will not adversely affect the rights in a significant way, then it is unlikely that any accommodation would be required. The minimum expectation of most Aboriginal communities in Ontario is that a mining company would provide capacity for participation in the consultation process and make efforts towards enhanced employment, training and education opportunities for the community.

#### **5.1.5 Step 5: Determine Reasonable Accommodation**

Having decided that accommodation is necessary, accommodation must be offered. The question then becomes: what method, type, or amount of accommodation is reasonable?

The ultimate goal of accommodation is to balance competing interests and reach a compromise that everyone can live with. Accommodation can take many forms, and as such, courts have encouraged the parties to explore the broadest range of options.

AEM's policy is to focus accommodation on the creation of business opportunities, implementation of mechanisms to encourage the development of employment opportunities and the provision of training and career development programs to prepare community members for employment on AEM projects.

## **5.2 Quebec (In French)**

Les étapes qui suivent doivent permettre une consultation adéquate, qui traduise la volonté gouvernementale de vraiment prendre en considération les droits et les intérêts des communautés autochtones.

### **5.2.1 Première étape : élaborer un processus de consultation adaptée**

- Déterminer la ou les communautés autochtones susceptibles d'être touchées par le projet ou la décision, ainsi que le ou les conseils de bande qui les représentent légalement.
- En considération des résultats de l'analyse préliminaire, moduler les moyens de consultation selon l'importance des effets préjudiciables de l'action envisagée sur les droits revendiqués : échanges de lettres, conférences téléphoniques, réunions techniques, publications, visites des communautés, visites des lieux où est prévu le projet, etc.
- Convenir, lorsque cela est nécessaire, d'objectifs précis relatifs à la démarche de consultation qui s'amorce et, de préférence, avec les représentants désignés par le conseil de bande des communautés autochtones concernées.
- Appliquer une démarche facilement compréhensible pour les conseils de bande et qui pourra avoir été convenue avec eux.
- Consulter les conseils de bande de façon distincte de la consultation habituellement appliquée à l'ensemble des citoyens, eu égard aux circonstances.
- Expliquer clairement aux conseils de bande quel sera leur rôle, ainsi que le processus décisionnel, l'échéancier et la démarche de consultation.
- Pour une consultation valable, prévoir une période de temps permettant aux conseils de bande d'analyser l'information reçue, de consulter les personnes pouvant être plus directement visées par l'action envisagée et de préparer une réponse adéquate. La période de temps allouée pourra être discutée avec les communautés autochtones et varier selon la complexité de l'action envisagée, les contraintes légales et réglementaires de même que les exigences en matière de mise en oeuvre du projet.
- Planifier le tout selon un échéancier permettant une certaine souplesse.
- S'assurer de la participation des conseils de bande en amont des processus de décision, de telle sorte qu'il soit possible de modifier la position de départ (le projet tel qu'il a été défini initialement).
- Envisager l'utilisation de moyens adaptés aux conseils de bande, par exemple en faisant traduire la documentation dans la langue appropriée. Ainsi, lorsque la documentation est essentielle à la bonne conduite d'une consultation, celle-ci pourra être traduite en anglais, si elle s'adresse à des communautés autochtones dont la langue principale ou d'affaires est l'anglais.
- Considérant que la clé d'une bonne consultation se trouve dans l'échange de renseignements qui permet une participation réelle et constructive, le ministère devra fournir rapidement et de façon objective l'information nécessaire, lorsqu'elle est disponible, dans un langage clair et compréhensible (spécification de l'action envisagée, du territoire visé, s'il y a lieu, et de l'échéancier de réalisation) et fournir les rapports d'experts disponibles et pertinents.
- Indiquer qu'il y aura processus de rétroaction en précisant qu'il sera fait état des efforts consentis pour tenir compte des préoccupations soulevées au regard des droits et des intérêts exposés par le ou les conseils de bande concernés.
- Colliger et conserver chaque mesure déployée par le ministère, peu importe son succès.

### 5.2.2 Deuxième étape : mettre en oeuvre la consultation

- Mettre en oeuvre la consultation selon ce qui a été convenu à la première étape : calendrier, échange de renseignements, respect des objectifs, etc.
- Au besoin, pour éviter tout malentendu, valider le contenu de l'information recueillie auprès des conseils de bande concernés, lorsque des éléments paraissent ambigus.

### 5.2.3 Troisième étape : analyser la consultation

Deux principes doivent guider l'action des ministères au terme de la consultation :

- S'efforcer de comprendre les préoccupations formulées par les conseils de bande et tenter d'y répondre en cherchant les moyens de limiter le plus possible l'impact de l'action envisagée;
- Déployer tous les efforts nécessaires dans la recherche de mesures d'accommodement, même si, au bout du compte, il n'y a pas obligation de s'entendre avec les communautés autochtones, celles-ci ne possédant pas de droit de veto.

Pour évaluer s'il doit rechercher des mesures d'accommodement, et si oui à quelle hauteur, un ministère doit d'abord faire l'analyse rétrospective de la consultation qu'il a menée auprès des communautés autochtones par l'entremise de leurs conseils de bande respectifs. Cette étape permettra de déterminer le degré d'atteinte de l'action envisagée sur les droits et les intérêts des communautés autochtones. Pour faire cette analyse, les questions suivantes peuvent être utiles :

- Quelle est l'étendue du territoire affecté par l'action envisagée?
- Quelles sont les activités exercées par les communautés autochtones?
- Dans quelle mesure les activités exercées par les communautés autochtones seront-elles affectées?
- Sera-ce permanent?
- L'action envisagée nuira-t-elle à l'accès et à l'utilisation des ressources par les communautés autochtones visées? Si oui, dans quelle mesure et sur quelle étendue de territoire?
- L'action envisagée changera-t-elle ou endommagera-t-elle la nature du territoire ou la disponibilité des ressources? Si oui, dans quelle mesure et pour quelle durée?
- L'action envisagée menace-t-elle l'intégrité de sites patrimoniaux, par exemple des cimetières ou des lieux de rencontre?
- L'action envisagée est-elle prévue sur un territoire situé à proximité de la réserve indienne?
- L'action envisagée implique-t-elle la vente de terres à des tiers?
- L'action envisagée implique-t-elle la délivrance de baux à long terme à des tiers? Si oui, ces baux porteront-ils atteinte aux droits et aux intérêts des communautés autochtones?
- Ces baux seront-ils renouvelables et impliqueront-ils d'autres changements au territoire, ainsi que d'autres extractions de ressources?

Selon les résultats de l'analyse, le ministère aura à déterminer s'il est nécessaire et possible d'appliquer des mesures d'accommodement afin d'atténuer les effets préjudiciables de l'action envisagée.

Si l'analyse de l'information recueillie lors de la consultation démontre que les communautés autochtones ne seront pas affectées par l'action envisagée, des mesures d'accommodement ne seront pas nécessaires. Dans ce cas, le ministère pourra passer à l'étape La décision décrite en fin de document. Si l'analyse démontre plutôt que l'action envisagée risque d'avoir un impact sur les droits et les intérêts d'une ou de plusieurs communautés autochtones, des mesures d'accommodement pourront être négociées de façon à atténuer le plus possible, eu égard aux circonstances, la perturbation occasionnée par l'action envisagée sur les droits et les intérêts des communautés autochtones en considérant :

- La permanence de l'effet que pourra avoir l'action envisagée;
- L'étendue du territoire affecté;
- Le degré d'occupation du territoire par la communauté autochtone;
- La nature de l'intervention envisagée.

Il revient au ministère concerné d'appliquer des mesures d'accommodement adaptées à sa réalité et d'évaluer leur importance. Ces mesures pourront prendre diverses formes, par exemple la modification d'un projet, l'introduction de mesures d'atténuation ou la participation des Autochtones au suivi environnemental.

Ce qui importe, c'est que les mesures d'accommodement atténuent le plus possible, eu égard aux circonstances, la perturbation occasionnée aux droits et aux intérêts des communautés autochtones par l'action envisagée.

À ce chapitre, le versement de compensations financières ne saurait être un automatisme ni même un moyen à privilégier au détriment ou à l'exclusion d'autres mesures d'accommodement. Il devrait n'être envisagé que lorsque l'atteinte aux droits et aux intérêts des communautés autochtones découlant de l'action gouvernementale projetée comporte un très haut niveau de gravité et que d'autres mesures ne peuvent accommoder adéquatement les communautés autochtones visées.

Les ministères devront impliquer les autres ministères, organismes et sociétés publiques ou privées intéressés au processus d'élaboration des mesures destinées à accommoder les communautés

Pour certaines activités gouvernementales ponctuelles, il est possible que toutes les étapes de la consultation ainsi que les échéanciers ne puissent être suivis pour des motifs d'urgence, par exemple, liés à la sécurité du public. Dans ce cas, ce qui doit être l'exception plutôt que la règle, il faudra tout de même faire les efforts raisonnables pour tenir compte des droits et des intérêts des communautés autochtones et, le cas échéant, les accommoder.

Dans de telles circonstances, la communauté autochtone concernée devra être informée des motifs justifiant la dérogation au processus habituel de consultation et, le cas échéant, du mode de consultation spécial qui s'applique. La justification de la décision sur le fond devra être expliquée.

De plus, les ministères devront, à moins que la situation ne le permette, donner l'occasion aux communautés autochtones de s'exprimer sur la nature et la portée de l'accommodement, et ce, en regard des droits et des intérêts pouvant être visés par l'action envisagée

## APPENDIX A

# Aboriginal Consultation in Environmental Laws and Regulations and Common Law Decisions

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### FEDERAL

#### In Canada, for projects subject to the Canadian Environmental Assessment Act

- **Proponent duties**  
SOR/2012-148 July 6, 2012 DORS/2012-148 -Prescribed Information for the Description of a Designated Project Regulations.

#### Excerpts:

#### SCHEDULE (Section 1)

#### PRESCRIBED INFORMATION FOR THE DESCRIPTION OF A DESIGNATED PROJECT

#### GENERAL INFORMATION

3. A description of and the results of any consultations undertaken with any jurisdictions and other parties including **Aboriginal** peoples and the public.

#### PROJECT LOCATION INFORMATION

12. A description of the project's location, including  
(e) The project's proximity to reserves, traditional territories as well as lands and resources currently used for traditional purposes by **Aboriginal** peoples;

#### ENVIRONMENTAL EFFECTS

19. Information on the effects on **Aboriginal** peoples of any changes to the environment that may be caused as a result of carrying out the project, including effects on health and socio-economic conditions, physical and cultural heritage, the current use of lands and resources for traditional purposes or on any structure, site or thing that is of historical, archaeological, paleontological or architectural significance.

- **Crown duties**  
The Government of Canada consults with **Aboriginal** peoples as part of the environmental assessment (EA) process for a variety of reasons, including: statutory and contractual obligations, policy and good governance, and the **common law duty to consult** (based on ruling from past court cases).

The federal government must consult with and, where appropriate, accommodate Aboriginal groups when **its activities (i.e. the Federal government activities)** associated with a project could have a negative effect on potential or established Aboriginal or Treaty rights.

## ONTARIO

### In Ontario, under the Mining Act of Ontario, R.S.O. 1990, c.M14

#### Excerpts:

- **Proponent duties**

#### **Exploration plan**

**78.2 (1)** No person shall carry out an activity prescribed for the purposes of this section on a mining claim, mining lease or license of occupation for mining purposes unless the person has submitted an **exploration plan**, in accordance with any prescribed requirements, including any **Aboriginal** consultation that may be prescribed. 2009, c. 21, s. 40.

#### **Application for exploration permit**

##### **78.3**

(2) An application for an exploration permit shall be made to a Director of Exploration, and in deciding whether to issue a permit and what terms and conditions should apply to the permit, the Director shall consider,  
(b) whether **Aboriginal** consultation has occurred in accordance with any prescribed requirements, which may include consideration of any arrangements that have been made with Aboriginal communities that may be affected by the exploration; 2009, c. 21, s. 40.

- Under regulation 308 ONTARIO REGULATION 308/12 - EXPLORATION PLANS AND EXPLORATION PERMITS

#### **Early exploration - General**

**2.** An early exploration proponent engaged in any early exploration activity, whether or not the activity falls within section 1 of Schedule 2 or section 1 of Schedule 3, shall,

(b) Conduct activities in a manner consistent with the **protection provided for existing Aboriginal and treaty rights** in section 35 of the *Constitution Act, 1982*. O. Reg. 308/12, s. 2.

**6. (3)** If an early exploration proponent who proposes to carry out any exploration plan activities proposes to notify Aboriginal communities of their intent to submit an exploration plan before submitting a plan, the early exploration proponent shall first request that the Director identify the Aboriginal communities to be notified. O. Reg. 308/12, s. 6 (3).

#### **Notice of submitted exploration plan**

**7. (1)** The Director shall identify **Aboriginal** communities to be notified of a submitted exploration plan and shall notify those communities by sending a copy of the plan to them. O. Reg. 308/12, s. 7 (1).

[\(2\)](#) Aboriginal communities that are notified of an exploration plan may provide written comments to the Director regarding any adverse effects the exploration plan activities proposed in the plan may have on their existing or asserted Aboriginal or treaty rights. O. Reg. 308/12, s. 7 (2).

[\(3\)](#) If the Director receives comments from an Aboriginal community regarding any adverse effects the exploration plan activities proposed in the plan may have on the community's existing or asserted Aboriginal or treaty rights, the Director may require the early exploration proponent to consult with the community as directed. O. Reg. 308/12, s. 7 (3).

#### **Requirements for exploration plan activities**

[10.](#) An early exploration proponent who proposes to carry out any exploration plan activities shall comply with the following requirements:

4. The requirement that the **exploration plan activities be conducted in a manner consistent with the protection provided for existing Aboriginal and treaty rights** in section 35 of the *Constitution Act, 1982*. O. Reg. 308/12, s. 10.

#### **Notice of intent to apply for exploration permit**

##### [13.](#)

[\(3\)](#) If an early exploration proponent who proposes to carry out any exploration permit activities proposes to notify Aboriginal communities of their intent to submit an application for an exploration permit, the early exploration proponent shall first request that the Director identify the Aboriginal communities to be notified. O. Reg. 308/12, s. 13 (3).

[\(4\)](#) If an early exploration proponent notifies the identified Aboriginal communities of their intent to submit an application for an exploration permit, the early exploration proponent shall include with the application submitted to the Director a **consultation report in the approved form detailing how comments received from Aboriginal communities**, if any, have been considered. O. Reg. 308/12, s. 13 (4).

#### **Notice of submitted application for exploration permit**

[14. \(1\)](#) The Director shall identify Aboriginal communities to be notified of a submitted application for an exploration permit and shall notify those communities of the application by sending a copy of the application to them. O. Reg. 308/12, s. 14 (1).

[\(2\)](#) Aboriginal communities that are notified of an application for an exploration permit may provide written comments to the Director and the early exploration proponent regarding any adverse effects the activities proposed in the application may have on

their existing or asserted Aboriginal or treaty rights and the early exploration proponent shall consult with Aboriginal communities pursuant to any direction provided by the Director. O. Reg. 308/12, s. 14 (2).

(3) The Director may require the early exploration proponent to file a consultation report in the approved form regarding any consultation process that has been conducted, including with regard to any arrangement reached with an Aboriginal community or the efforts made to reach such an arrangement, before deciding whether to issue an exploration permit. O. Reg. 308/12, s. 14 (3).

### **Decision on application**

15. (1) Subject to section 16, within 50 days after the circulation date, if the Director is satisfied that appropriate Aboriginal consultation has been carried out, the Director shall,

(a) Make a decision as to whether to issue an exploration permit and, if so, as to what terms and conditions apply to the permit; and

(b) Provide a copy of the permit to the early exploration proponent, any surface rights owners who have commented on the application and identified Aboriginal communities. O. Reg. 308/12, s. 15 (1).

(2) In deciding whether or not he or she is satisfied that appropriate Aboriginal consultation has been carried out, the Director may consider any arrangement reached with an Aboriginal community or the efforts made to reach such an arrangement. O. Reg. 308/12, s. 15 (2).

### **Temporary hold on application**

16. (1) At any time before a Director's decision under section 15 or subsection 18 (1), the Director may put a temporary hold on the process to obtain an exploration permit for any of the following reasons:

1. There are **concerns raised by an Aboriginal community** who's existing or asserted Aboriginal or treaty rights are potentially affected by the proposed exploration activity which, in the opinion of the Director, warrant additional time to adequately consider.

### **Terms and conditions for early exploration activities**

17. (1) Subject to section 19, an early exploration proponent who proposes to carry out any exploration permit activities shall comply with the following requirements as standard terms and conditions:

3. The requirement that the exploration permit activities be conducted in a manner consistent with the **protection provided for existing Aboriginal and treaty rights** in section 35 of the *Constitution Act, 1982*. O. Reg. 308/12, s. 17 (1).

#### **Discretion to require exploration permit**

**18. (1)** For the purposes of subsection 78.2 (3) of the Act, a Director may require an early exploration proponent to obtain an exploration permit for any early exploration activity that does not fall within section 1 of Schedule 3 where,

(a) In the Director's opinion, an exploration permit may be necessary to address **issues pertaining to existing or asserted Aboriginal or treaty rights**; or

#### • **Under Provincial Environmental Assessment Act**

- Ontario's EAA does not usually apply to an entire mine project because the EAA does not apply to private companies unless designated by regulation or the company volunteers to be subject to the requirements of the EAA.
- However, some parts of a mine might be subject to the requirements of the EAA through existing class environmental assessments or regulations. Such activities include:
  - Granting permits on Crown land, disposition of Crown resources;
  - Constructing power generation or transmission facilities;
  - Construction related to provincial transportation facilities;
  - Establishing a waste management facility.
- In the case of Cliffs and Noront, the companies have entered into a voluntary agreement with the Ontario Ministry of the Environment (MOE) making their entire mining projects subject to the requirements of the EAA.

#### **Proponent's duties:**

- Consultation with Aboriginal communities during the preparation of the draft EA

#### **Crown duties:**

- Ask Aboriginal communities to comment on the EA (7 weeks)
- MOE will issue a Ministry review for comments by Aboriginal communities (5 weeks)

## Common law decisions:

### Duties of the Crown in Ontario

#### Supreme Court Decision: Keewatin case in Ontario

*On Friday, July 11th, 2014, the Supreme Court of Canada confirmed the decision of the Ontario Court of Appeal that Ontario has exclusive authority to take up Treaty 3 land situated in the province and to regulate activities on such lands so long as it is in accordance with the Treaty and the Crown's obligations under section 35 of the Constitution Act, 1982.*

*"In exercising its jurisdiction over Treaty 3 lands, the Province of **Ontario is bound by the duties attendant on the Crown**. It must exercise its powers in conformity with the honour of the Crown, and is subject to the **fiduciary duties that lie on the Crown in dealing with Aboriginal interests**. These duties bind the Crown. When a government — be it the federal or a provincial government — exercises Crown power, the exercise of that power is burdened by the Crown obligations toward the Aboriginal people in question." [50]*

*"These duties mean that for land to be taken up under Treaty 3, the **harvesting rights** of the Ojibway over the land must be respected. Any taking up of the land for forestry or other purposes must meet the conditions set out by this Court in Mikisew. As explained by the Ontario Court of Appeal (at paras. 206-12), the Crown's right to take up lands under Treaty 3 is subject to **its duty to consult and, if appropriate, accommodate** First Nations' interests beforehand (Mikisew, at para. 56). This duty is grounded in the honour of the Crown and binds the Province of Ontario in the exercise of the Crown's powers." [51]*

*"Where a province intends to take up lands for the purposes of a project within its jurisdiction, the Crown must inform itself of the impact the project will have on the exercise by the Ojibway of their rights to hunt, fish and trap, and communicate its findings to them. It must then deal with the Ojibway in good faith, and with the intention of substantially addressing their concerns (Mikisew, at para. 55; Delgamuukw v. British Columbia, [1997] 3 S.C.R. 1010, at para. 168). The adverse impact of the Crown's project (and the extent of the duty to consult and accommodate) is a matter of degree, but consultation cannot exclude accommodation at the outset. Not every taking up will constitute an infringement of the harvesting rights set out in Treaty 3. This said, if the taking up leaves the Ojibway with no meaningful right to hunt, fish or trap in relation to the territories over which they traditionally hunted, fished, and trapped, a potential action for treaty infringement will arise (Mikisew, at para. 48)." [52]*

## QUEBEC

- **Under the Quebec Mining Act: Crown duties**

### CHAPTER I.1

#### PROVISIONS SPECIFIC TO NATIVE COMMUNITIES

2.1. This Act must be construed in a manner consistent with the obligation to consult Native communities. The Government shall consult **Native communities** separately if the circumstances so warrant. 2013, c. 32, s. 2.

2.2. Taking into account the rights and interests of **Native communities** is an integral part of reconciling mining activities with other possible uses of the territory. 2013, c. 32, s. 2.

**2.3.** The Minister draws up, makes public and keeps up to date a **Native community** consultation policy specific to the mining sector.  
2013, c. 32, s. 2.

*Note: A guide is in preparation by the Quebec government to give more details on what this consultation will be.*

- **For activities carried out by the Quebec government: Crown duties**

Ref: Guide intermédiaire en matière de consultation des communautés autochtones, Gouvernement du Québec, mis à jour 2008

*Note: This guide applies to projects that are undertaken by the Quebec government, not private projects (therefore not mining projects). It is likely that the guide to accompany the new clause in the Mining Act will be inspired from the 'guide intermediary'.*

### **Excerpts: (In french)**

#### **Introduction**

Au cours des dernières années, différentes communautés autochtones ont manifesté un intérêt grandissant pour prendre part, de multiples façons, à des projets de développement économique. Estimant devoir être consultées et accommodées relativement à tous les projets qui affectent leurs intérêts et leurs droits sur les territoires qu'elles revendiquent, les communautés autochtones ont tour à tour demandé des modifications, des compensations financières, des emplois ou encore l'annulation de projets ou d'activités jugés néfastes à la préservation des droits qu'elles revendiquent. Ces demandes s'appuient sur l'évolution récente de la jurisprudence en matière de droit autochtone.

Mentionnons notamment les arrêts *Nation Haïda c. Colombie-Britannique (Ministre des Forêts)* et *Première nation Tlingit de Taku River c. Colombie-Britannique (Directeur*

*d'évaluation de projet*), rendus par la Cour suprême du Canada le 18 novembre 2004 et qui concernent **l'obligation de la Couronne de consulter et d'accommoder** les Autochtones, ainsi que l'arrêt *Première nation crie Mikisew c. Canada (Ministre du Patrimoine canadien)* rendu le 24 novembre 2005.

Le présent guide vise à définir plus clairement les balises énoncées par la Cour suprême du Canada à ce sujet.

L'honneur de la Couronne commandant de prendre en considération les droits et les intérêts revendiqués par des communautés autochtones, les ministères doivent donc les consulter et, dans certains cas, les accommoder.

### L'évolution de l'obligation de consulter

Avant les arrêts *Haïda* et *Taku River*, le concept de la consultation des Premières Nations était contenu dans le cadre d'analyse de l'article 35 de la *Loi constitutionnelle de 1982*.

Les quatre volets du cadre d'analyse de l'article 35 reconnus par la Cour suprême du Canada sont les suivants :

- 1) Le requérant a-t-il prouvé qu'il exerce un droit ancestral?
- 2) Ce droit a-t-il été éteint avant l'entrée en vigueur de l'article 35?
- 3) Est-ce qu'il y a eu atteinte à ce droit?
- 4) L'atteinte est-elle justifiée?

Ainsi, **le droit antérieur aux arrêts *Haïda* et *Taku River* semblait exiger que les Autochtones aient prouvé leurs droits avant que la Couronne doive justifier une atteinte à ces droits**. En effet, ce n'était qu'à la quatrième étape du cadre d'analyse précédemment mentionné que la Couronne pouvait faire la preuve d'une consultation afin de justifier son atteinte à un droit ancestral ou au droit issu d'un traité.

Le plus haut tribunal du pays a établi, dans les arrêts *Haïda* et *Taku River*, que la Couronne avait désormais l'obligation de **consulter les communautés autochtones et de prendre en considération leurs préoccupations avant même qu'elles aient établi l'existence de leurs titres sur des terres ainsi que leurs droits ancestraux**. Ces arrêts marquent donc une certaine rupture avec les principes se rattachant à la consultation qui prévalait auparavant.

Cette obligation de consulter les communautés autochtones découle du principe de l'honneur de la Couronne. Ce principe prend naissance lorsque la Couronne a connaissance, concrètement ou par imputation, de l'existence possible d'un droit ancestral revendiqué et qu'elle envisage des mesures susceptibles d'avoir un effet préjudiciable sur celui-ci. Les mesures susceptibles de porter atteinte aux droits revendiqués par les communautés autochtones concernent tant les projets de développement nécessitant une intervention de l'État que les activités de planification relatives aux terres publiques.

Le contenu de l'obligation de consulter et, dans certaines circonstances, d'accommoder les communautés autochtones variera selon les circonstances.

Ainsi, le droit d'être consultées dans certaines circonstances ne procure pas aux communautés autochtones un droit de *veto* sur les décisions de la Couronne.

Autre précision importante apportée par la Cour suprême du Canada, la Couronne demeure seule légalement responsable des conséquences des rapports avec les tiers, rapports qui ont un impact sur les intérêts des communautés autochtones. Ainsi, **même si la Couronne peut déléguer certains aspects procéduraux de la consultation à des tiers, ces derniers ne pourront être jugés responsables de manquements à l'obligation de consulter.** À cet égard, la Cour précise que les gouvernements peuvent établir des politiques ou une réglementation permettant de renforcer le processus de consultation et d'ainsi réduire les motifs de recours aux tribunaux de la part des communautés autochtones.

### L'analyse préliminaire

L'analyse préliminaire doit permettre, d'une part, de déterminer si une action envisagée est susceptible d'avoir un impact sur certains droits revendiqués par une communauté autochtone et, d'autre part, dans quelle mesure la revendication de ces droits paraît crédible.

Cette analyse doit être réalisée par ou en étroite collaboration avec les représentants désignés par le ministère à cette fin, par exemple le coordonnateur aux affaires autochtones. Le ministère cherchera également, lorsque la situation s'y prêtera, à établir une collaboration avec les communautés autochtones concernées afin de mieux connaître les droits qu'elles revendiquent et qui se trouveraient affectés sur un territoire visé.

Dans tous les cas où l'analyse préliminaire laisse présager une atteinte aux droits et aux intérêts revendiqués par une ou des communautés autochtones, nous proposons des paramètres qui permettront de tenir une consultation adéquate, afin que cette ou ces communautés puissent préciser la nature des droits qu'elles revendiquent, ainsi que leurs intérêts, et qu'elles puissent expliquer l'atteinte potentielle à leurs droits pouvant résulter de la réalisation d'un projet de développement ou de la mise en valeur d'un territoire et de ses ressources. Chaque ministère devra évaluer les actions envisagées au cas par cas.

### Qui consulter ?

Les conseils de bande des communautés autochtones susceptibles d'être touchées par l'activité envisagée doivent être consultés. Par ailleurs, la consultation pourra être menée auprès de conseils tribaux ou de structures nationales, si les conseils de bande leur en donnent formellement le mandat.

Le Québec devra s'assurer de consulter **toutes les communautés susceptibles, selon l'information disponible, de revendiquer des droits qui pourraient être affectés** par l'action envisagée. Les ministères et leurs unités devront en référer aux représentants désignés à cette fin, par exemple le coordonnateur aux affaires autochtones.

#### **Modulation de l'accommodement**

Si l'analyse de l'information recueillie lors de la consultation démontre que les communautés autochtones ne seront pas affectées par l'action envisagée, des mesures d'accommodement ne seront pas nécessaires.

Si l'analyse démontre plutôt que l'action envisagée risque d'avoir un impact sur les droits et les intérêts d'une ou de plusieurs communautés autochtones, des mesures d'accommodement pourront être négociées de façon à atténuer le plus possible, eu égard aux circonstances, la perturbation occasionnée par l'action envisagée sur les droits et les intérêts des communautés autochtones en considérant :

- la permanence de l'effet que pourra avoir l'action envisagée;
- l'étendue du territoire affecté;
- le degré d'occupation du territoire par la communauté autochtone;
- la nature de l'intervention envisagée.

Il revient au ministère concerné d'appliquer des mesures d'accommodement adaptées à sa réalité et d'évaluer leur importance. Ces mesures pourront prendre diverses formes, par exemple la modification d'un projet, l'introduction de mesures d'atténuation ou la participation des Autochtones au suivi environnemental.

Ce qui importe, c'est que les mesures d'accommodement atténuent le plus possible, eu égard aux circonstances, la perturbation occasionnée aux droits et aux intérêts des communautés autochtones par l'action envisagée.

À ce chapitre, **le versement de compensations financières ne saurait être un automatisme ni même un moyen à privilégier** au détriment ou à l'exclusion d'autres mesures d'accommodement. Il devrait n'être envisagé que lorsque l'atteinte aux droits et aux intérêts des communautés autochtones découlant de l'action gouvernementale projetée comporte un très haut niveau de gravité et que d'autres mesures ne peuvent accommoder adéquatement les communautés autochtones visées.

## LEGISLATION APPLICABLE TO BRITISH COLUMBIA

### *Canadian Environmental Assessment Act, 2012, SC 2012 c 19 s 52*

#### **Prescribed Information for the Description of a Designated Project Regulations - SOR/2013-148**

Excerpts:

#### GENERAL INFORMATION

3. A description of and the results of any consultations undertaken with any jurisdictions and other parties including Aboriginal peoples and the public.

#### PROJECT LOCATION INFORMATION

12. A description of the project's location, including

(e) The project's proximity to reserves, traditional territories as well as lands and resources currently used for traditional purposes by Aboriginal peoples;

#### ENVIRONMENTAL EFFECTS

19. Information on the effects on Aboriginal peoples of any changes to the environment that may be caused as a result of carrying out the project, including effects on health and socio-economic conditions, physical and cultural heritage, the current use of lands and resources for traditional purposes or on any structure, site or thing that is of historical, archaeological, paleontological or architectural significance.

### ***Environmental Assessment Act, (British Columbia) SBC 2002, c 43:***

Excerpts:

#### Reviewable projects on treaty lands

8.1 Despite any other enactment and whether or not an environmental assessment certificate is required, a reviewable project may not proceed on treaty lands without the consent of the treaty first nation if the final agreement requires this consent.

#### Executive director determines assessment scope, procedures and methods

11(2) The executive director's discretion under subsection (1) includes but is not limited to the discretion to specify by order one or more of the following:

(f) the persons and organizations, including but not limited to the public, first nations, government agencies and, if warranted in the executive director's opinion neighbouring jurisdictions, to be consulted by the proponent or the Environmental Assessment Office during the assessment, and the means by which the persons and organizations are to be provided with notice of the assessment, access to information during the assessment and opportunities to be consulted.

#### Agreements and consultations with treaty first nations

29.1 (1) If a final agreement requires the government to negotiate with a treaty first nation and attempt to reach agreement on harmonizing the government's and treaty first nation's procedures in relation to evaluating proposed developments on the treaty lands of the treaty first nation, the minister, on behalf of the government, may enter into an agreement reached in the negotiation.

(2) If a reviewable project

(a) is proposed for land specified in a final agreement as land in relation to which notice of a reviewable project is required in the circumstances described in paragraph (b), and

(b) may reasonably be expected to adversely affect the treaty lands of the treaty first nation, the residents of those treaty lands or the rights of the treaty first nation under the final agreement,

The executive director, on receiving the proposal, must

(c) Promptly give notice of the project, along with relevant information about the project, to the treaty first nation,

(d) Consult, within the meaning of the final agreement of the treaty first nation, with the treaty first nation, and

(e) Ensure that the treaty first nation has an opportunity to participate in any environmental assessment of the project.

## **LEGISLATION APPLICABLE TO YUKON**

### **Umbrella Final Agreement Between the Government of Canada, the Council for Yukon Indians and the Government of the Yukon**

Excerpts:

#### **5.4.0 Settlement Land**

5.4.1 A Yukon First Nation shall have by virtue of this chapter:

5.4.1.1 for Category A Settlement Land,

- a. the rights, obligations and liabilities equivalent to fee simple excepting the Mines and Minerals and the Right to Work the Mines and Minerals, and
- b. fee simple title in the Mines and Minerals, and the Right to Work the Mines and Minerals;

5.4.1.2 for Category B Settlement Land the rights, obligations and liabilities equivalent to fee simple reserving therefrom the Mines and Minerals and the Right to Work the Mines and Minerals but including the Specified Substances Right; and

5.4.1.3 for Fee Simple Settlement Land, fee simple title reserving therefrom the Mines and Minerals and the Right to Work the Mines and Minerals but including the Specified Substances Right.

#### **5.6.0 Administration by Government**

5.6.1 For the purposes of 5.6.0, "Encumbering Right" means every license, permit or other right, and every right, title or interest described in 5.4.2.

5.6.2 Subject to 6.3.6, Government shall continue to administer every Encumbering Right including granting renewals or replacements described in 5.4.2.3 and new rights described in 5.4.2.4 in the public interest and in accordance with the Legislation which would apply if Settlement Land were Crown Land.

5.6.3 Where Category A Settlement Land is subject to an Existing Mineral Right or to a surface lease, existing at the date the affected land became Settlement Land, held by a Mineral Right holder, Government shall account for and pay to the affected Yukon First Nation as soon as practicable from time to time:

5.6.3.1 any Royalty received by Government for production after the date the land became Settlement Land in respect of that Existing Mineral Right; and

5.6.3.2 any non-refunded rents received by Government which were payable after the date the land became Settlement Land in respect of that Existing Mineral Right and of any surface lease, existing at the date the affected land became Settlement Land, held by a Mineral Right holder.

5.6.4 Where Category B Settlement Land or Fee Simple Settlement Land is subject to a surface lease, existing at the date the affected land became Settlement Land, held by a Mineral Right holder, Government shall account for and pay to the affected Yukon First Nation as soon as practicable from time to time, any non-refunded rents received by Government which were payable after the date the land became Settlement Land in respect of that existing surface lease held by the Mineral Right holder.

5.6.5 Subject to 5.6.3, 5.6.4 and 5.6.6, Government shall retain for its own benefit any fees, charges or other payments received in respect of any Encumbering Right.

### **18.3.0 Access to Settlement Land for an Existing Mineral Right**

18.3.1 Subject to 6.6.0, any Person having an Existing Mineral Right, whether on Settlement Land or on Non-Settlement Land, has a right of access, for purposes of exercising that right, to cross and make necessary stops on Settlement Land without the consent of the affected Yukon First Nation if:

18.3.1.1 the access is of a casual and insignificant nature; or

18.3.1.2 the route used is generally recognized and was being used for access on a regular basis, whether year round or intermittently, either,

- a. prior to public notification of the final land selection for that Yukon First Nation's Final Agreement, or
- b. where the land becomes Settlement Land after the Effective Date of the Yukon First Nation Final Agreement, on the date the land became Settlement Land,

On the condition that the exercise of the right of access does not result in a significant alteration being made of that route.

18.3.2 Any Person having an Existing Mineral Right on Settlement Land has a right of access, for purposes of exercising that right, to use that Parcel of Settlement Land without the consent of the affected Yukon First Nation, where provided by Laws of General Application.

18.3.3 Any Person having an Existing Mineral Right on Settlement Land who does not have a right of access to Settlement Land under 18.3.1, or a right of access included in the right described in 5.4.2, has a right of access, for purposes of exercising that right, to cross and make necessary stops on Settlement Land with the consent of the affected Yukon First Nation or

failing consent, with an order of the Surface Rights Board setting out the terms and conditions of access.

18.3.4 Any Person having an Existing Mineral Right on Non- Settlement Land who does not have a right of access to Settlement Land under 18.3.1, or a right of access included in the right described in 5.4.2, has a right of access, for purposes of exercising that right, to cross and make necessary stops on Settlement Land with the consent of the affected Yukon First Nation or failing consent, with an order of the Surface Rights Board setting out the terms and conditions.

18.3.5 The Surface Rights Board shall not make an order under 18.3.4 unless the Person seeking access satisfies the Board that:

18.3.5.1 The access is reasonably required; and

18.3.5.2 Such access is not also practicable and reasonable across Crown Land.

18.3.6 If the Surface Rights Board makes an order under 18.3.3 or 18.3.4, it may order compensation as a term or condition of access only if a private owner of land in similar circumstances would be entitled to compensation, and then only to the same extent.

#### **18.4.0 Access to Settlement Land for a New Mineral Right**

18.4.1 Subject to 6.6.0, any Person having a New Mineral Right on Category B or Fee Simple Settlement Land or on Non- Settlement Land has a right of access, for purposes of exercising that New Mineral Right, to cross and make necessary stops on Settlement Land without the consent of the affected Yukon First Nation if:

18.4.1.1 The access is of a casual and insignificant nature; or

18.4.1.2 The route used is generally recognized and was being used for access on a regular basis, whether year round or intermittently, either,

a. prior to public notification of the final land selection for that Yukon First Nation's Final Agreement, or

b. where the land becomes Settlement Land after the Effective Date of the Yukon First Nation Final Agreement, on the date the land became Settlement Land,

On the condition that the exercise of the right of access does not result in a significant alteration being made of that route.

18.4.2 Subject to 6.6.0, any Person having a New Mineral Right on Category B or Fee Simple Settlement Land has a right of access, for purposes of exercising that New Mineral Right, to use that Parcel of Settlement Land without the consent of the affected Yukon First Nation if the

exercise of the right of access does not require the use of heavy equipment or methods more disruptive or damaging to the land than hand labour methods.

18.4.3 Any Person having a New Mineral Right on Category B or Fee Simple Settlement Land who does not have a right of access under 18.4.1 or 18.4.2, or a right of access included in the right described in 5.4.2, has a right of access, for purposes of exercising that New Mineral Right, to use, cross and make necessary stops on Settlement Land with the consent of the affected Yukon First Nation or failing consent, with an order of the Surface Rights Board setting out the terms and conditions of access.

18.4.4 Any Person having a New Mineral Right on Non-Settlement Land who does not have a right of access under 18.4.1, or a right of access included in a right described in 5.4.2, has a right of access, for purposes of exercising that New Mineral Right, to cross and make necessary stops on Settlement Land with the consent of the affected Yukon First Nation or failing consent, with an order of the Surface Rights Board setting out the terms and conditions of access.

18.4.5 The Board shall not make an order pursuant to 18.4.4 unless the Person seeking access satisfies the Board that:

18.4.5.1 The access is reasonably required; and

18.4.5.2 The access is not also practicable and reasonable across Crown Land.

***Yukon Environmental and Socio-economic Assessment Act, SC 2003, c 7***

Excerpts:

Consultation

**50.** (3) Before submitting a proposal to the executive committee, the proponent of a project shall consult any first nation in whose territory, or the residents of any community in which, the project will be located or might have significant environmental or socio-economic effects.

Preliminary determinations

**55.** (1) Where a proposal for a project is submitted to a designated office under paragraph 50(1) (b), the designated office shall

(a) Consider whether the applicable rules have, in its opinion, been complied with and notify the proponent accordingly; and

(b) Determine whether the project will be located, or might have significant environmental or socio-economic effects, in the territory of a first nation.

Evaluation by designated office

(2) A designated office shall commence the evaluation of a project as soon as possible after it notifies the proponent affirmatively under paragraph (1) (a).

#### Composition of panels

**65** (5) A panel of the Board shall be constituted as follows:

(a) if the executive committee concludes under subsection (3) that effects are likely to occur primarily on settlement land, two thirds of the members of the panel must be members nominated to the Board by the Council and one third must be members, excluding the Chairperson of the Board, who are not so nominated;

(b) if the executive committee concludes under subsection (3) that effects are likely to occur primarily on non-settlement land, one third of the members of the panel must be members nominated to the Board by the Council and two thirds must be members, excluding the Chairperson of the Board, who are not so nominated; and

(c) In any other case, of the members of the panel other than its chairperson, one half must be members nominated to the Board by the Council and one half must be members who are not so nominated.

#### ***Quartz Mining Act, SY 2003, c 14***

133(1) After receiving a Class 1 Notification of a designated Class 1 exploration program, the Chief must, before the end of the exploration program's review period

(a) Review the operation as described in the Class 1 Notification to determine its adverse environmental or socio-economic effects, if any;

(b) initiate consultation with each First Nation by notifying it and inviting it to provide written comments to the Chief regarding any adverse effects the exploration program as described in the Class 1 Notification may have on its existing or asserted aboriginal or treaty rights; and

(c) Determine whether the operation as described in the Class 1 Notification will appropriately mitigate the adverse effects referred to in paragraphs (a) and (b).

#### ***Placer Mining Act, SY 2003, c 13***

103(1) After receiving a Class 1 Notification of a designated Class 1 placer land use operation, the Chief must, before the end of the operation's review period

(a) review the operation as described in the Class 1 Notification to determine its adverse environmental or socio-economic effects, if any;

(b) initiate consultation with each First Nation by notifying it and inviting it to provide written comments to the Chief regarding any adverse effects the operation as described in the Class 1 Notification may have on its existing or asserted aboriginal or treaty rights; and

(c) Determine whether the operation as described in the Class 1 Notification will appropriately mitigate the adverse effects referred to in paragraphs (a) and (b).

## **APPENDIX B**

### **Jurisprudences and Court decisions in Canada**

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#### **Constitutional rights and Supreme Court decisions**

The concept of consultation of First Nations was contained in article 35 of Constitutional law of 1982, where these rights were ancestral rights or treaty rights. Before the recent Supreme Court decisions, there was a 4 step test to the duty to consult:

- 1) Has the ancestral right be proven?
- 2) Was this ancestral right extinguished before article 35 came into force?
- 3) Has this right been affected?
- 4) Was the effect justified?

These 4 criteria's are not valid anymore. The Supreme Court has ruled that consultation can precede the proof of the aboriginal right, as long as it is claimed.

#### **Keewatin case in Ontario**

The Crown duties mean that for land to be taken up, the **harvesting rights** over the land must be respected. Any taking up of the land for forestry or other purposes is subject to **its duty to consult and, if appropriate, accommodate** First Nations' interests beforehand. However FNs do not have veto power, the decision is still for the Crown to make (November 2014).

#### **Haïda and Taku Decisions in British Columbia**

It is the Crown's obligation to consult and take into account the First Nations concerns before their rights on the land are legally recognized. November 2014

#### **Mikisew Decision in Alberta**

The Supreme Court confirmed that the duty to consult and take into account the First Nations concerns applies also when a treaty has been signed. November 2005.

### **Supreme Court of Canada Decisions**

***R. v. Sparrow***, [1990] 1 SCR 1075

- Section 35(1) needs to be construed in “a purposive way” and that a generous, liberal interpretation is demanded given that the provision is to affirm Aboriginal rights.
- Proposed government action that infringes on the exercise aboriginal rights must be justified.

***R. v. Van der Peet***, [1996] 2 S.C.R. 507.

- This case heard along with the companion case *R. v. N.T.C. Smokehouse Ltd.*, [1996] 2 S.C.R. 672, and *R. v. Gladstone*, [1996] 2 S.C.R. 723 and addressed what constituted an “existing” Aboriginal right under section 35(1).
- To be an aboriginal right an activity must be an element of a practice, custom or tradition integral to the distinctive culture of the aboriginal group claiming the right. The practices, customs and traditions which constitute aboriginal rights are those which have continuity with the practices, customs and traditions that existed prior to contact with Europeans.

***Delgamuukw v. British Columbia***, [1997] 3 S.C.R. 1010

- The Court confirmed that aboriginal title exists and had not been extinguished.
- A three part test was established: 1) occupancy at the time of sovereignty, 2) continuity with the present and pre-sovereignty occupation, and 3) at sovereignty, occupancy was exclusive to the group claiming title.
- Infringement of aboriginal title can be justified under section 35 pursuant to the *Sparrow* test.

***Haida Nation v British Columbia (Minister of Forests)***, 2004 SCC 73

- The duty to consult arises when the government knows or ought to know about the potential existence of Aboriginal rights or title and contemplates conduct that might adversely affect it.
- The scope of consultation is proportionate to a preliminary assessment of the strength of the case supporting the existence of the right or title and the seriousness of the

potential effect upon the right or title claimed, the scope will fall on a spectrum from low to high.

- The duty to consult lies solely with the crown, ultimate responsibility for consultation cannot be delegated; however, the Crown may delegate procedural aspects of consultation to private parties.
- The right to be consulted does not provide Aboriginal groups with a “veto”, there is a duty to consult in good faith, but there is no duty to agree.

***Mikisew Cree First Nation v. Canada (Minister of Canadian Heritage)*, 2005 SCC 69**

- [The \*Haida\* framework for consultation is applicable to the Crown’s duty to consult in the context of historical treaties.](#)

***Beckman v. Little Salmon/Carmacks First Nation*, 2010 SCC 53**

- The Crown cannot contract out of its duty to consult through modern treaties; the duty to consult exists independent of the Treaty.
- If a process of consultation has been established in the treaty, the scope of the duty to consult will be shaped by its provisions.

***Tsilhqot’in Nation v British Columbia*, 2014 SCC 44**

- The general requirements to prove aboriginal title are: (1) “sufficient occupation” of the land claimed to establish title at the time of assertion of European sovereignty; (2) continuity of occupation where present occupation is relied on; and (3) exclusive historic occupation.
- Aboriginal title encompasses the right to exclusive use and occupation of the land held pursuant to that title for a variety of purposes, the title-holding group has the right to choose the uses to which the land is put and to enjoy its economic fruits. As a result consent is required to use the land once title has been established.
- If the Aboriginal title holder does not consent, the government may still use the land if it can justify it on the basis of broader public good
- Where aboriginal title has not yet been established by court declaration or agreement, consent is not required, the duty to consult applies as discussed in *Haida*

### **British Columbia Decisions**

***Saik’uz First Nation and Stellat’en First Nation v Rio Tinto Alcan Inc.*, 2015 BCCA 154**

- First Nations may have the ability to pursue claims of impacts to Aboriginal rights and title against private parties, including project proponents, prior to proving Aboriginal rights or title.

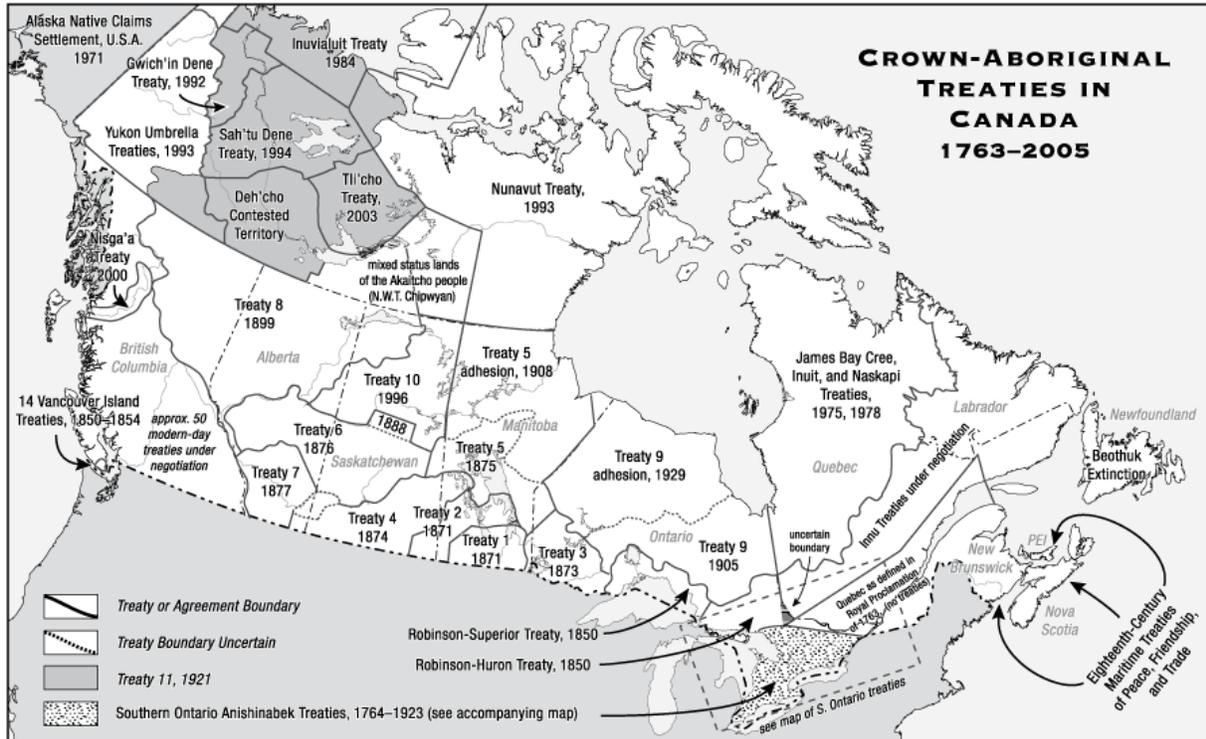
### **Yukon Decisions**

#### ***Ross River Dena Council v Government of Yukon*, 2012 YKCA 14**

- Yukon Court of Appeal held that the Government of Yukon must consult before opening up for staking (and the acquisition of mineral title) areas covered by Aboriginal title claims of the Ross River Dena Council ("RRDC"), a non-treaty Yukon First Nation.
- Yukon had to change the *Quartz Mining Act* regime such that there is some opportunity to consult after mineral tenure has been issued, but before any exploration activity can take place that might adversely affect the exercise of Aboriginal rights. This could be achieved by instituting a permit requirement for undertaking Class 1 activities with reasonable time limits that allow the opportunity for the Crown to consult with the RRDC.

## APPENDIX C

# Map of Treaties and Agreements with FNs in Eastern Canada





## Location of First Nations Agreement in the Eastern part of Canada in 2014



Natural Resources  
Canada

Ressources naturelles  
Canada



### Aboriginal Mining Agreements Interactive Map



## First Nations Agreement in Ontario

Most agreements include:

- Cash and Shares
- Milestone payments
- Education and training
- Commitment to provide contracts
- Royalty payments are also common

### Detour Lake (2010-2012)

IBAs with First Nations and Metis  
Cash, shares and education funding

### St. Andrew Goldfields (2013)

IBA with First Nations  
Includes 2% Net Profits Interest agreement

### IAM GOLD (2012)

Exploration agreement with 2 First Nations  
Includes 100,000 shares  
1% of exploration budget

### New Gold (2014)

Participation agreement with Metis  
Includes cash, shares, contracts and scholarship

### Goldcorp (November 2014)

IBA with Matachewan, Wagosig in Timmins area



2008 NRCan publication showing existing agreements between mining companies and Aboriginal communities

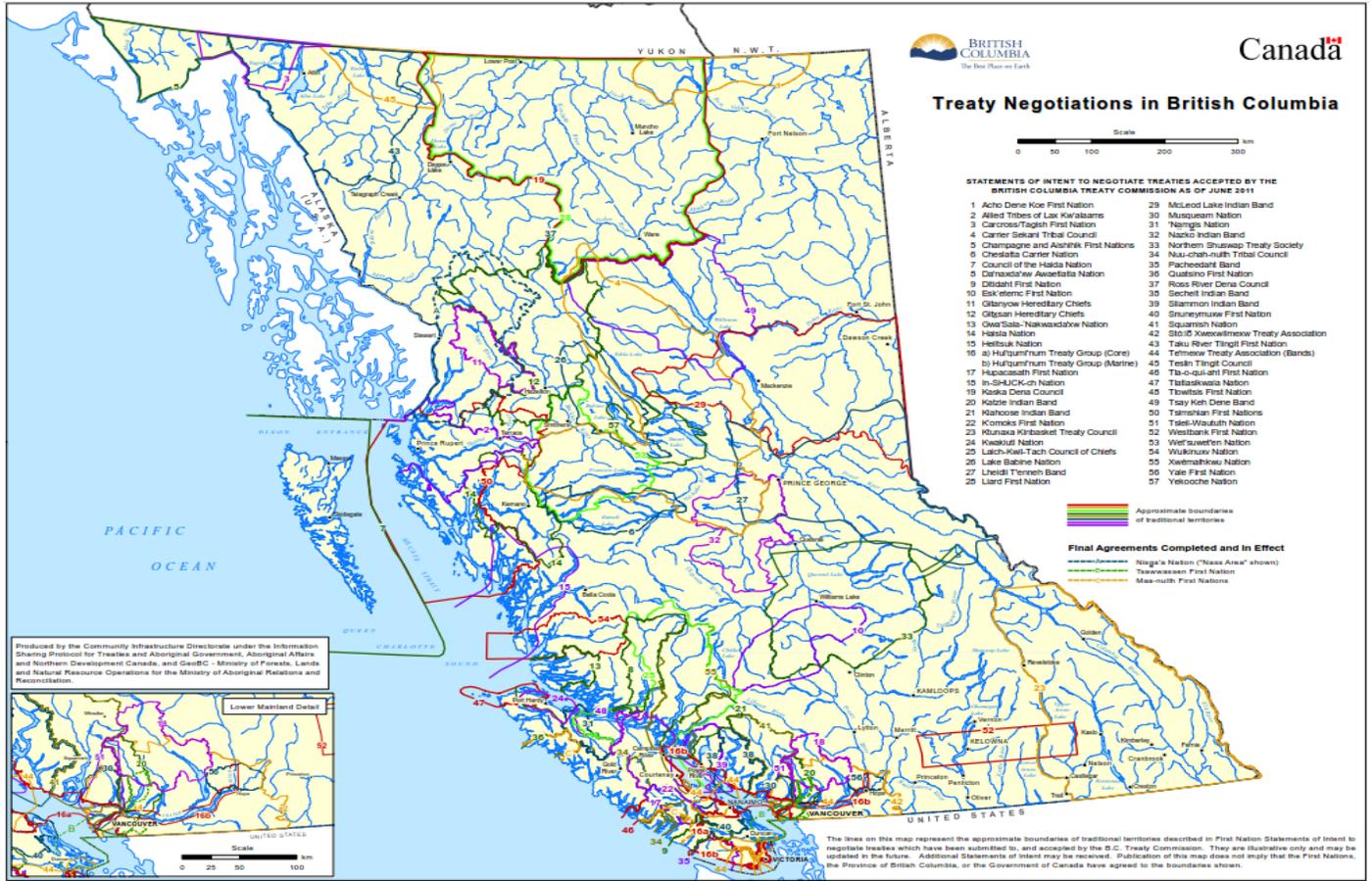
The circle in blue is for exploration agreement

In red: Close or in Reclamation

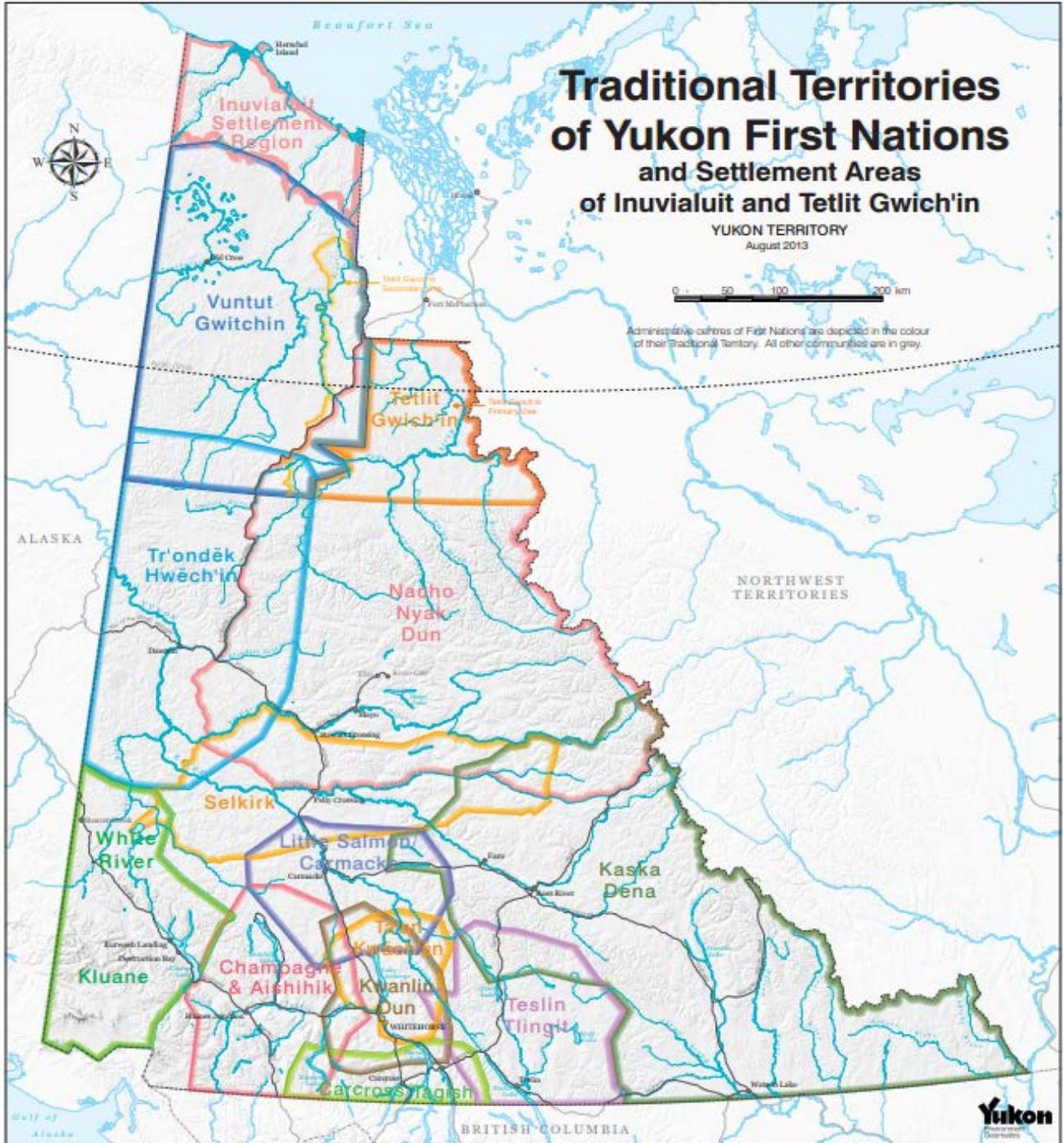
In purple: Project in development

In green: Mine in production

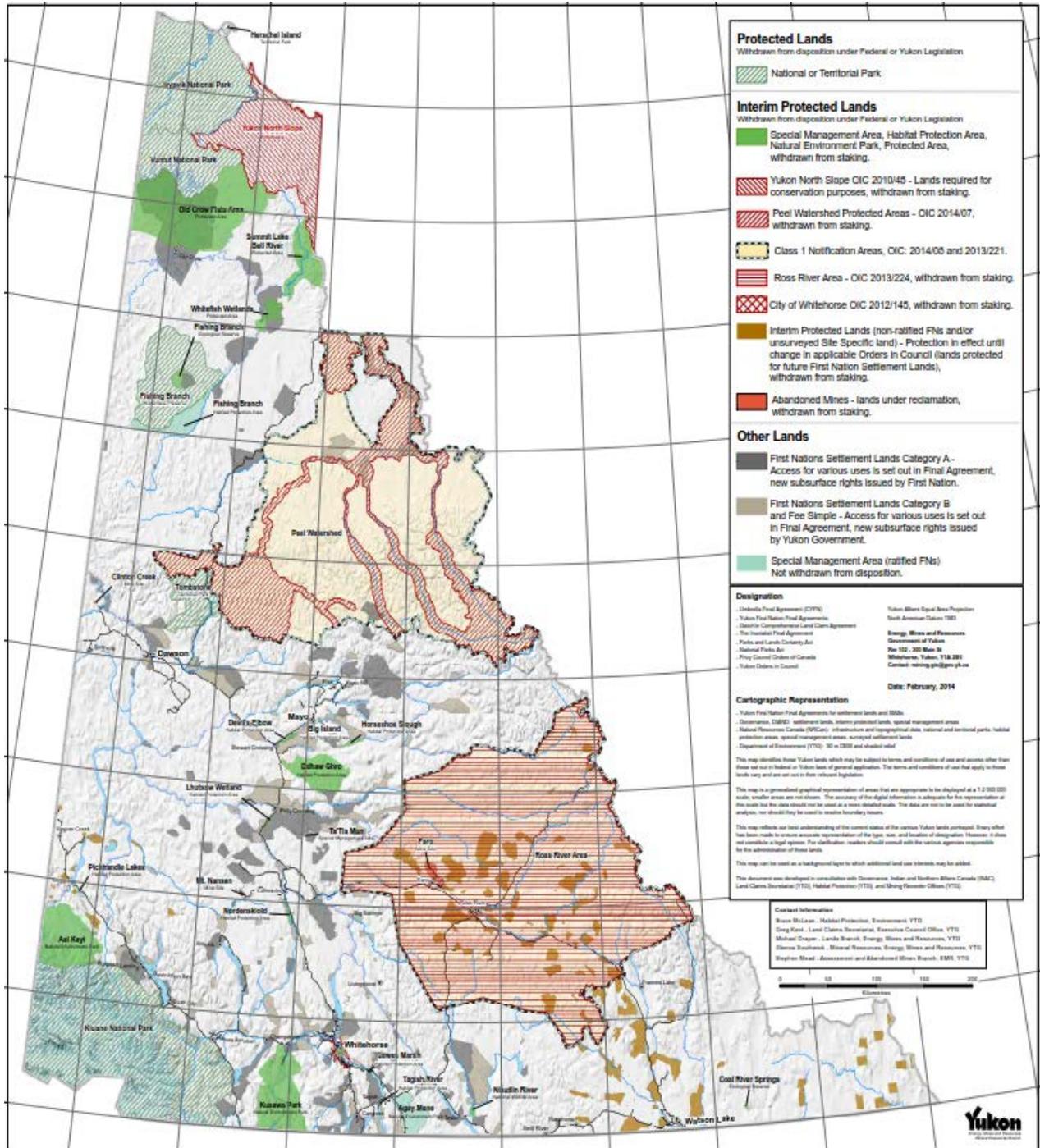
# APPENDIX D: Map of Treaty Negotiations in British Columbia



APPENDIX E: Map of Yukon First Nations Traditional Territory



APPENDIX F: Map of Yukon Land Status



## Appendix D

### List of FNs agreement in Ontario and Quebec

#### Ontario

PROJECT NAME	COMPANY	ABORIGINAL COMMUNITIES OR GOVERNMENTS	YEAR	TYPE OF AGREEMENT	STATUS OF PROJECT	STATUS OF AGREEMENT	COMMODITY
Dona Lake	Barrick Gold Corp.	Government of Canada, Government of Ontario, Osnaburgh Indian Band, Windigo Tribal Council	1987	Socio-Ec	Closed or in Reclamation	Active	Gold
Golden Patricia	Barrick Gold Corp.	Cat Lake, Government of Ontario, Osnaburgh Indian Band, Slate Falls Nation, Windigo Tribal Council	1993	Socio-Ec	Closed or in Reclamation	Active	Gold
		Cat Lake, Government of Canada, Government of Ontario, Osnaburgh Indian Band, Slate Falls Nation, Windigo Tribal Council	1988	Socio-Ec	Closed or in Reclamation	Superseded	Gold
Musselwhite	Goldcorp Inc.	Cat Lake, Kingfisher Lake First Nation, North Caribou Lake, Shibogama First Nations Council, Windigo First Nations Council, Wunnumin	2001	IBA	Producing	Active	Gold
		Cat Lake, Government of Canada, Government of Ontario, Kingfisher Lake First Nation, North Caribou Lake, Shibogama First Nations Council, Windigo First Nations Council, Wunnumin	1992	IBA	Producing	Superseded	Gold
Separation Rapids	Avalon Rare Metals Inc.	Wabaseemoong Independent Nations	2006	MOU	Exploration	Active	Lithium, tantalum
			1999	MOU	Exploration	Superseded	Lithium, tantalum
Big Mack	Pacific Iron Ore Corp.	Wabaseemoong Independent Nations	1999	MOU	On Hold	Active	Petalite
Victor Diamond Mine	De Beers Canada Inc.	Fort Albany First Nation, Kashechewan	2009	IBA	Producing	Active	Diamonds
		Moose Cree First Nation	2007	IBA	Producing	Active	Diamonds
		Attawapiskat	2005	IBA	Producing	Active	Diamonds
		Taykwa Tagamou Nation	2005	Other	Producing	Active	Diamonds
		Attawapiskat	2002	Other	Producing	Superseded	Diamonds
		Attawapiskat	1999	MOU	Producing	Superseded	Diamonds
WALP	Opal Energy Corp.	Wahgoshig	2000	Exploration Agreement	Closed or in Reclamation	Active	Gold
Severn	Navigator Exploration Corp.	Attawapiskat	2002	MOU	Closed or in Reclamation	Active	Diamonds

PROJECT NAME	COMPANY	ABORIGINAL COMMUNITIES OR GOVERNMENTS	YEAR	TYPE OF AGREEMENT	STATUS OF PROJECT	STATUS OF AGREEMENT	COMMODITY
Lapointe	Tres-Or Resources Ltd.	Timiskaming First Nation	2007	MOU	Exploration	Active	Diamonds
			2005	MOU	Exploration	Superseded	Diamonds
			2003	MOU	Exploration	Superseded	Diamonds
Marten Falls area	Pele Mountain Resources Inc.	Marten Falls First Nation	2004	LOI	Closed or in Reclamation	Active	Uranium
Podolsky	KGHM International	Wahnapitae	2008	IBA	Closed or in Reclamation	Active	Nickel
			2004	MOU	Closed or in Reclamation	Superseded	Nickel
Highbank	Northern Shield Resources Inc.	Marten Falls First Nation	2005	Exploration Agreement	Exploration	Active	Platinum group metals (pgm), nickel, copper, chromite, vanadium
Ti pa haa kaa ning	Northern Superior Resources Inc.	Neskantaga First Nation	2008	Other	Exploration	Active	Gold, diamonds
			2005	LOI	Exploration	Superseded	Gold, diamonds
Black Thor	Cliffs Natural Resources Inc.	Webequie	2010	Exploration Agreement	On Hold	Active	Nickel, copper
			2006	MOU	On Hold	Superseded	Nickel, copper
MacFadyen	Debut Diamonds Inc. and Cliffs Chromite	Attawapiskat	2006	Exploration Agreement	On Hold	Active	Diamonds
Sudbury Mines Area	Vale Inc.	Wahgoshig	1999	MOU	Exploration	Active	Nickel
		Wahnapitae	1999	MOU	Exploration	Active	Nickel
		Sagamok Anishnawbek	1999	Exploration Agreement	Exploration	Active	Nickel
Black Fox Mine	Brigus Gold	Wahgoshig	2007	MOU	Producing	Active	Gold
Junior Lake	Landore Resources Ltd.	Animbiigoo Zaagi'igan Anishinaabek, Whitesand	2007	MOU	Exploration	Active	Nickel
Shaw Dome Nickel Belt	Northern Sun Mining Corp.	Matachewan, Mattagami, Wahgoshig	2008	IBA	Producing	Active	Nickel
		Mattagami	2007	MOU	Producing	Superseded	Nickel
		Matachewan, Mattagami, Wahgoshig	2007	MOU	Producing	Superseded	Nickel
Kerrs Gold	Foundation Resources	Wahgoshig	2013	MOU	Exploration	Superseded	Gold
			2013	MOU	Exploration	Active	Gold
			2007	MOU	Exploration	Superseded	Gold
Marathon PGM-Cu Project		Pic Mobert First Nation	2008	MOU	Development	Active	Copper, platinum group metals (pgm)
Marathon PGM-Cu Project	Stillwater Canada Inc.	Ojibways of Pic River First Nation	2008	Other	Development	Active	Copper, platinum group metals (pgm)

PROJECT NAME	COMPANY	ABORIGINAL COMMUNITIES OR GOVERNMENTS	YEAR	TYPE OF AGREEMENT	STATUS OF PROJECT	STATUS OF AGREEMENT	COMMODITY
Marathon PGM-Cu Project	Stillwater Canada Inc.	Ojibways of Pic River First Nation	2007	MOU	Development	Active	Copper, platinum group metals (pgm)
Martison	Phoscan Chemical Corp.	Constance Lake	2007	Other	Exploration	Active	Phosphate
Thorne Lake	Northern Superior Resources Inc.	Sachigo Lake	2008	LOI	Exploration	Active	Gold
			2007	LOI	Exploration	Superseded	Gold
KM61	Stockport Exploration	Whitesand	2008	MOU	Exploration	Active	Nickel, molybdenum
			2007	MOU	Exploration	Superseded	Nickel, molybdenum
Shakespeare Nickel Mine	Prophecy Platinum	Sagamok Anishnawbek	2009	IBA	Producing	Active	Nickel, copper
			2007	Other	Producing	Superseded	Nickel, copper
Young-Davidson	AuRico Gold	Matachewan	2009	IBA	Producing	Active	Gold
			2008	MOU	Producing	Superseded	Gold
Mohawk Garnet	Mohawk Garnet Inc.	Wahnapiatae	2008	MOU	Producing	Active	Garnet aggregates
PQ North Property	Premier Gold Mines Ltd.	North Caribou Lake	2008	LOI	Exploration	Active	Gold
Fort Hope Gold Properties	Slam Exploration Ltd.	Eabametoong First Nation	2010	Exploration Agreement	Exploration	Active	Gold
			2008	MOU	Exploration	Superseded	Gold
Thierry Mine Property	Cadillac Ventures Inc.	Mishkeegogamang	2008	MOU	Exploration	Active	Nickel, copper
Kenbridge Deposit	Canadian Arrow Mines Ltd.	Anishinaabeg of Kabapikotawangag Resource Council, Anishinaabeg of Naongashiing First Nation, Big Grassy, Naotkamegwanning, Northwest Angle No.33, Northwest Angle No.37, Ojibways of Onigaming First Nation, Anishinabe of Wauzhushk Onigum	2010	Exploration Agreement	Exploration	Active	Nickel
Jerome Mining Claims	IAMGOLD Corp.	First Nations Partnership comprised of Mattagami First Nation, Brunswick House First Nation, Flying Post First Nation	2008	Exploration Agreement	Exploration	Active	Gold
Timmins West	Lake Shore Gold Corp.	Flying Post, Mattagami	2008	Exploration Agreement	Producing	Active	Gold
Sudbury Integrated Nickel Operations	GlencoreXstrata	Wahnapiatae	2008	Participation Agreement	Producing	Active	Nickel
Wellington	MacDonald Mines Exploration Ltd.	First Nation Community of Summer Beaver	2009	Exploration Agreement	Exploration	Active	Copper,nickel, zinc
Shining Tree Gold	Platinex Inc.	Mattagami	2009	Exploration Agreement	Exploration	Active	Gold

PROJECT NAME	COMPANY	ABORIGINAL COMMUNITIES OR GOVERNMENTS	YEAR	TYPE OF AGREEMENT	STATUS OF PROJECT	STATUS OF AGREEMENT	COMMODITY
Pic Mobert First Nation territories (exploration)	MetalCORP Ltd.	Pic Mobert First Nation	2009	MOU	Exploration	Active	Copper, zinc, nickel, gold
Warren Township Calcium Feldspar	Avalon Rare Metals Inc.	Chapleau Cree First Nation on behalf of affected regional First Nations and Aboriginal people	2009	MOU	On Hold	Active	Calcium feldspar
Bell Creek	Lake Shore Gold Corp.	Flying Post, Matachewan, Mattagami, Wahgoshig	2009	Exploration Agreement	Producing	Active	Gold
Eagle's Nest	Noront Resources Ltd.	Webequie	2010	Exploration Agreement	Exploration	Active	Nickel, copper, platinum group metals (pgm)
Eagle's Nest	Noront Resources Ltd.	Marten Falls First Nation	2009	Other	Exploration	Active	Nickel, copper, platinum group metals (pgm)
Pickle Crow	GoldON Resources	Mishkeegogamang	2009	MOU	Exploration	Active	Gold
Hardrock	Premier Gold Mines Ltd.	Long Lake No.58 First Nation	2010	Exploration Agreement	Exploration	Active	Gold
			2010	Exploration Agreement	Exploration	Active	Gold
		Ginoogaming First Nation	2009	MOU	Exploration	Active	Gold
Pickle Lake	MetalCORP Ltd.	Mishkeegogamang	2009	MOU	Exploration	Active	Gold
Hammond Reef	Osisko Mining Corp.	Métis Nation of Ontario	2012	MOU	Exploration	Active	Gold
Hammond Reef	Osisko Mining Corp.	Fort Frances Chiefs Secretariat representing Couchiching First Nation, Lac La Croix First Nation, Mitaanjugamiing First Nation, Naicatchewenin First Nation, Nigigoonsiminikaanikaaning First Nation, Rainy River First Nation, Seine River First Nation and Lac Des Mille Lacs First Nation	2011	MOU	Exploration	Active	Gold
			2010	Exploration Agreement	Exploration	Superseded	Gold
			2010	Other	Exploration	Active	Gold
			2009	MOU	Exploration	Superseded	Gold
Chester (Swayze Project)	GoldON Resources	Mattagami	2009	Exploration Agreement	Exploration	Active	Gold
Detour Lake	Detour Gold	Métis Nation of Ontario	2012	IBA	Producing	Active	Gold
		Moose Cree First Nation	2011	Exploration Agreement	Producing	Active	Gold
		Wahgoshig	2010	LOI	Producing	Superseded	Gold
		Wahgoshig	2010	IBA	Producing	Active	Gold
		Taykwa Tagamou Nation	2009	MOU	Producing	Superseded	Gold
		Métis Nation of Ontario	2009	MOU	Producing	Superseded	Gold
		Moose Cree First Nation	2009	MOU	Producing	Superseded	Gold
Taykwa Tagamou Nation	2009	IBA	Producing	Active	Gold		

PROJECT NAME	COMPANY	ABORIGINAL COMMUNITIES OR GOVERNMENTS	YEAR	TYPE OF AGREEMENT	STATUS OF PROJECT	STATUS OF AGREEMENT	COMMODITY
Big Lake and Hemlo East	MetalCORP Ltd.	Ojibways of Pic River First Nation	2009	MOU	Exploration	Active	Copper, zinc, gold
South Bend (McFaulds Lake Property)	AurCrest Gold Inc.	Webequie	2010	MOU	Exploration	Superseded	Nickel, copper, platinum group metals (pgm)
South Bend (McFaulds Lake Property)	AurCrest Gold Inc.	Webequie	2010	Exploration Agreement	Exploration	Active	Nickel, copper, platinum group metals (pgm)
Phoenix Gold	Rubicon Minerals Corp.	Lac Seul	2010	Exploration Agreement	Development	Active	Gold
Rainy River	Rainy River Resources Ltd.	Métis Nation of Ontario	2013	MOU	Exploration	Active	Gold
		Couchiching First Nation, Lac La Croix, Mitaanjigamiing First Nation, Naicatchewenin, Rainy River First Nation, Seine River First Nation	2012	Participation Agreement	Exploration	Active	Gold
		Fort Frances Chiefs Secretariat representing Couchiching First Nation, Lac La Croix First Nation, Mitaanjigamiing First Nation, Naicatchewenin First Nation, Nigigoonsiminikaaning First Nation, Rainy River First Nation, Seine River First Nation and Lac Des Mille Lacs First Nation	2010	MOU	Exploration	Active	Gold
Pickle Lake Properties	Manicouagan Minerals Inc.	Mishkeegogamang	2010	MOU	Exploration	Active	Gold
Scadding Property	Trueclaim Exploration Inc.	Wahnapiatae	2010	MOU	Exploration	Active	Gold
Semple-Hulbert Property	MacDonald Mines Exploration Ltd.	Kasabonika Lake	2011	Exploration Agreement	Exploration	Active	Nickel, copper, chromite, zinc, vanadium, titanium
Sagamok Anishnawbek (within the traditional territories)	GlencoreXstrata	Webequie	2011	Exploration Agreement	Exploration	Active	Nickel
		Sagamok Anishnawbek	2011	MOU	Exploration	Active	Nickel
Borden Gold	Probe Mines Limited	Brunswick House, Chapeau Cree, Chapeau Ojibway	2011	MOU	Exploration	Active	Gold
Lake Abitibi Claims	Osisko Mining Corp.	Wahgoshig	2001	Exploration Agreement	Exploration	Active	Gold
Albany Project	Zenyatta Ventures	Constance Lake	2011	Exploration Agreement	Exploration	Active	Nickel, copper, platinum group metals (pgm)

PROJECT NAME	COMPANY	ABORIGINAL COMMUNITIES OR GOVERNMENTS	YEAR	TYPE OF AGREEMENT	STATUS OF PROJECT	STATUS OF AGREEMENT	COMMODITY
Victoria Project	KGMH International	Atikameksheng Anishnawbek	2012	MOU	Exploration	Active	Nickel, copper
		Sagamok Anishnawbek	2012	MOU	Exploration	Active	Nickel, copper
Project 81	Noble Mineral Exploration Inc.	Matachewan, Mattagami	2012	MOU	Exploration	Active	Nickel, gold
Nipigon Reefs	Minfocus Exploration Corp.	Red Rock Band of Lake Helen Reserve #53A	2012	Other	Exploration	Active	Nickel, copper, platinum group metals (pgm)
Chief Peter Property	Minfocus Exploration Corp.	Lac Des Mille Lacs	2012	MOU	Exploration	Active	Nickel, copper, platinum group metals (pgm)
		Seine River First Nation	2012	MOU	Exploration	Active	Nickel, copper, platinum group metals (pgm)
Bold's Ring of Fire	Bold Ventures Inc.	Attawapiskat	2012	MOU	Exploration	Active	Nickel, copper, platinum group metals (pgm)
		Marten Falls First Nation	2012	MOU	Exploration	Active	Nickel, copper, platinum group metals (pgm)
Totten Nickel Mine	Vale	Sagamok Anishnawbek	2012	IBA	Development	Active	Nickel
			2006	Exploration Agreement	Development	Superseded	Nickel
Mattagami FN traditional territory (exploration)	SGX Resources	Mattagami	2013	Exploration Agreement	Exploration	Active	Gold, diamonds
Melba Property	Nordex Explosives	Wahgoshig	2013	MOU	Exploration	Active	Gold
Timmins Porcupine West Property	Explor Resources Inc.	Flying Post, Mattagami	2013	MOU	Exploration	Active	Gold
Springpole Gold Project	Gold Canyon Resources	Cat Lake, Lac Seul, Slate Falls Nation	2013	Other	Exploration	Active	Gold
Red Lake Gold Mines	Goldcorp Inc.	Lac Seul	2013	Cooperation Agreement	Producing	Active	Gold
Thunder Bay North	Panoramic Resources	Red Rock Band of Lake Helen Reserve #53A, Fort William First Nation, Biinjitiwaabik Zaaging Anishinaabek	2013	Other	Exploration	Active	Platinum group metals (pgm)

PROJECT NAME	COMPANY	ABORIGINAL COMMUNITIES OR GOVERNMENTS	YEAR	TYPE OF AGREEMENT	STATUS OF PROJECT	STATUS OF AGREEMENT	COMMODITY
Tashota project (Beardmore-Geraldton Gold Camp)	Tashota Group	Animbiigoo Zaagi'igan Anishinaabek, Aroland First Nation	2013	Exploration Agreement	Exploration	Active	Gold
Whitesand First Nation (properties within the traditional ter)	Minfocus Exploration Corp.	Whitesand	2013	MOU	Exploration	Active	Platinum group metals (pgm)
Golden Bear	Northern Gold Mining	Wahgoshig	2013	Exploration Agreement	Exploration	Active	Gold

Note: Impact Benefits Agreement (IBA), Memorandum of Understanding (MOU), Letter of Intent (LOI)

## Quebec

PROJECT NAME	COMPANY	ABORIGINAL COMMUNITIES OR GOVERNMENTS	YEAR	TYPE OF AGREEMENT	STATUS OF PROJECT	STATUS OF AGREEMENT	COMMODITY
Raglan Mine	Glencore Xstrata	Makivik Corp., Northern Village Corp. of Kangiqsujuaq, Northern Village Corp. of Salluit, Nunaturlik Landholding Corporation of Kangiqsujuaq, Qaqqalik Nunaturlik Landholding Corporation of Salluit	1995	IBA	Producing	Active	Nickel
Troilus Mine	Inmet Mining Corp.	Cree Nation of Mistissini	1995	IBA	Closed or in Reclamation	Active	Gold, copper
Éléonore	Goldcorp Inc.	Cree Nation of Wemindji, Grand Council of the Crees (Eeyou Istchee) / Cree regional Authority	2011	Cooperation Agreement	Development	Active	Gold
Éléonore	Goldcorp Inc.	Cree Nation of Wemindji	2006	Other	Development	Superseded	Gold
Lac Rocher	Victory Nickel Inc.	Cree Nation of Waswanipi	2007	MOU	Development	Active	Nickel
Windfall Lake	Eagle Hill Exploration Corp.	Cree Nation of Waswanipi, Grand Council of the Crees (Eeyou Istchee) / Cree regional Authority	2012	Exploration Agreement	Exploration	Active	Gold
Windfall Lake	Eagle Hill Exploration Corp.	Cree Nation of Waswanipi	2007	MOU	Exploration	Superseded	Gold
Bloom Lake	Cliffs Natural Resources Inc.	Innu Takuaikan Uashat Mak Mani-Utenam	2008	MOU	Producing	Superseded	Iron
Bloom Lake	Cliffs Natural Resources Inc.	Innu Takuaikan Uashat Mak Mani-Utenam	2008	IBA	Producing	Active	Iron
Nunavik Nickel	Canadian Royalties Inc.	Kangiqsujuaq, Makivik Corp., Nunaturlik Landholding Corporation of Kangiqsujuaq, Qaqqalik Nunaturlik Landholding Corporation of Salluit, Puvirnitug	2008	IBA	Development	Active	Nickel

PROJECT NAME	COMPANY	ABORIGINAL COMMUNITIES OR GOVERNMENTS	YEAR	TYPE OF AGREEMENT	STATUS OF PROJECT	STATUS OF AGREEMENT	COMMODITY
Bachelor Lake	Metanor Resources Inc.	Cree Nation of Waswanipi, Grand Council of the Crees (Eeyou Istchee) / Cree regional Authority	2012	Socio-Ec	Producing	Active	Gold
Bachelor Lake	Metanor Resources Inc.	Cree Nation of Waswanipi	2008	Other	Producing	Superseded	Gold
Lablache	Argex Titanium Inc.	Innu Council of Pessamit	2011	Exploration Agreement	Exploration	Active	Titanium
Isoukoustouc	St-Georges Platinum and Base Metals Ltd.	Innu Council of Pessamit	2010	Exploration Agreement	Exploration	Active	Platinum group metals (pgm), copper, nickel, cobalt, gold, rhodium
Renard Diamond Project	Stornoway Diamond Corp.	Cree Nation of Mistissini, Grand Council of the Crees (Eeyou Istchee) / Cree regional Authority	2012	IBA	Development	Active	Diamonds
Renard Diamond Project	Stornoway Diamond Corp.	Cree Nation of Mistissini, Grand Council of the Crees (Eeyou Istchee) / Cree regional Authority	2010	Other	Development	Superseded	Diamonds
Hopes Advance Project	Oceanic Iron Ore Corp.	Makivik Corporation (on behalf of the Inuit of Nunavik), Nunavik Landholding Corporation of Aupaluk	2011	LOI	Exploration	Active	Iron
Montviel Project	Geomega Resources Inc.	Cree Nation of Waswanipi, Grand Council of the Crees (Eeyou Istchee) / Cree regional Authority	2011	Other	Exploration	Active	Rare earth elements
Quebec Lithium	Canada Lithium Corp.	Abitibiwinni First Nation of Pikogan, Abitibiwinni First Nation of Pikogan, Anishinabe First Nation of Lac-Simon	2012	MOU	Producing	Active	Lithium
Kipawa	Matamec Explorations Inc.	Eagle Village First Nation - Kipawa, Wolf Lake	2012	MOU	Exploration	Active	Rare earth elements, yttrium, zirconium, niobium, tantalum
Rose Tantalum-Lithium	Critical Elements Corp.	Grand Council of the Crees (Eeyou Istchee) / Cree regional Authority, Cree Nation of Eastmain	2012	Other	Exploration	Active	Tantalum, rare earth elements, lithium
Croteau Est and Waconichi	Northern Superior Resources Inc.	Grand Council of the Crees (Eeyou Istchee) / Cree regional Authority, Oujé-Bougoumou Cree Nation	2013	Other	Exploration	Active	Gold
BlackRock Mining Project	BlackRock Metals	Grand Council of the Crees (Eeyou Istchee) / Cree regional Authority, Oujé-Bougoumou Cree Nation	2013	IBA	Exploration	Active	Iron, vanadium, titanium
Dumont Nickel Project	Royal Nickel Corporation	Abitibiwinni First Nation of Pikogan, Abitibiwinni First Nation of Pikogan	2013	MOU	Exploration	Active	Nickel



**AGNICO EAGLE MINES LIMITED**  
**COMPENSATION COMMITTEE**  
**CHARTER**

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This Charter shall govern the activities of the compensation committee (the "Compensation Committee") of the board of directors (the "Board of Directors") of Agnico Eagle Mines Limited (the "Corporation").

**I. PURPOSE OF COMPENSATION COMMITTEE**

The Compensation Committee (the "Committee") shall advise and make recommendations to the Board of Directors in its oversight role with respect to the Corporation's strategy, policies and programs on the compensation and development of senior management and directors.

The Committee shall have the authority to delegate to one or more of its members, responsibility for developing recommendations for consideration by the Committee with respect to any of the matters referred to in this Charter.

**II. COMPOSITION**

The Compensation Committee shall be comprised of a minimum of three directors, each of whom shall be unrelated and independent as determined by the Board of Directors in accordance with the applicable requirements of the laws governing the Corporation, the applicable stock exchanges on which the Corporation's securities are listed and applicable securities regulatory authorities. (See Schedule A for current requirements.)

The members of the Compensation Committee shall be appointed by the Board of Directors annually at the first meeting of the Board after a meeting of the shareholders at which directors are elected and shall serve until: the next annual meeting of shareholders; they resign; their successors are duly appointed; or such member is removed from the Committee by the Board of Directors. The Board of Directors shall designate one member of the Compensation Committee as the chair of the Compensation Committee (the "Chair"), but if it fails to do so, then members of the Compensation Committee may designate the Chair by a majority vote of the full Compensation Committee membership.

**III. MEETINGS**

The Committee shall meet at least twice annually or more frequently as desired or required. The Compensation Committee shall seek to act on the basis of consensus, but an affirmative vote of a majority of members of the Compensation Committee participating in any meeting of the Compensation Committee shall be sufficient for the adoption of any resolution.

#### **IV. COMMITTEE RESPONSIBILITIES AND DUTIES**

The Compensation Committee's primary responsibilities are to:

1. review and assess the adequacy of this Charter at least annually and, where necessary or desirable, recommend changes to the Board of Directors;
2. review the adequacy and form of compensation of senior management and ensure that the compensation realistically reflects the risks and responsibilities of such positions;
3. review and recommend to the Board of Directors for approval policies relating to compensation of the Corporation's senior management and directors;
4. review the performance of the Corporation's senior management and recommend annually to the Board of Directors for approval the amount and composition of compensation to be paid to the Corporation's senior management;
5. review and approve the corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of these goals and objectives and set the CEO compensation based on this evaluation;
6. review the compensation sections of the management information circular distributed to the Corporation's shareholders;
7. review and make recommendations to the Board of Directors with respect to pension, stock option, restricted share unit and other incentive plans for the benefit of senior management;
8. administer the Corporation's employee stock option plan for the benefit of officers and employees of and services providers to the Corporation and its subsidiaries;
9. administer the Corporation's incentive share purchase plan ("Purchase Plan") for the benefit of participating officers and full-time employees of the Corporation and its subsidiaries, including the adoption, amendment or rescission of any rules and regulations that in the Compensation Committee's opinion may be advisable or required in the administration or operation of the Purchase Plan or any rule, regulation or documentation used thereunder;
10. administer the Corporation's Restricted Share Unit Plan for Directors, Senior Executives and Employees (the "RSU Plan") for the benefit of directors, senior executives and employees of the Corporation and its subsidiaries and to make such amendments or changes as the Committee deems necessary or desirable;
11. review the adequacy and form of compensation of directors and ensure that the compensation realistically reflects the responsibilities and risks of such positions and fix the amount and composition of compensation to be paid to members of the Board of Directors and the committees thereof;

12. review and assess the design and competitiveness of the Corporation's compensation and benefit programs generally;
13. report to the Board of Directors on all other matters and recommendations made by the Committee;
14. report to the Board of Directors following each meeting of the Committee and at such other times as the Board of Directors may consider appropriate; and
15. exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board of Directors.

## SCHEDULE A

### *Unrelated Director*

Under the Toronto Stock Exchange rules, "independent director" means a director who is:

- (a) not a member of management and is free from any interest and any business or other relationship which could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the issuer;
- (b) not currently, or has not been within the last three years, an officer, employee of or service provider to the issuer or any of its subsidiaries or affiliates; and
- (c) not an officer, employee or controlling shareholder of a company that has a material business relationship with the issuer.

### *Independent Director*

#### National Instrument – 52-110

A director is "independent" if he or she has no direct or indirect material relationship with the issuer. The following summarizes the major aspects of the National Instrument (NI52-110) relating to the independence of a director.

#### *Certain Relationships Automatically Exclude a Director From Serving on the Audit Committee*

If a director (or a member of the director's immediate family) has a specified type of relationship with the issuer (which includes the issuer's parent and subsidiary entities), then that director will not be considered independent. NI52-110 assumes that the following persons have a material relationship with the issuer (and are therefore precluded from sitting on the audit committee):

#### *Employment Relationships*

- an individual who is, or has been within the last three years, employee or executive officer of the issuer or an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;
- an individual who, or whose immediate family member, is, or has been within the last three years, an executive officer of another entity if any of the issuer's current executive officers serves or served at that same time on the compensation committee of that entity;
- an individual who received, or whose immediate family member who is employed as an executive officer of the issuer who received, more than C\$75,000 in direct compensation from the issuer during any 12 month period within the last three years (other than remuneration for acting as a member of the board of directors or any board committee of the issuer and fixed amounts received under a retirement plan for prior service with the issuer that is not contingent on continued service);

*Relationships with Internal or External Auditors*

- an individual who is a partner or employee of the issuer's internal or external auditor or an individual who was within the last three years a partner or employee of the issuer's internal or external auditor and personally worked on the issuer's audit within that time;
- an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual, is (i) a partner of the issuer's internal or external auditor, (ii) an employee of the issuer's internal or external auditor and participates in its audit, assurance or tax compliance (but not tax planning) practice, (iii) or an individual who was within the last three years a partner or employee of the issuer's internal or external auditor and personally worked on the issuer's audit within that time;

*Advisory or Consulting Relationships*

- an individual who accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than remuneration for acting as a member of the board or any board committee or as a part-time chair or vice-chair of the board or any board committee, including the indirect acceptance of a fee by an individual's spouse, minor child or stepchild, or child or stepchild who shares the individual's home or by an entity in which such individual is a partner, member, officer such as a managing director or executive officer and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer; and

*Relationships with Affiliated Entities*

- an individual who is an affiliated entity of the issuer or any of its subsidiary entities, where affiliated entity means a person that has the direct or indirect power to direct or cause the direction of management and the policies of the issuer or any of its subsidiary entities, whether through ownership of voting securities or otherwise (other than an individual who owns, directly or indirectly, ten percent or less of any class of voting securities of the issuer and is not an executive officer of the issuer) or an individual who is both a director and an employee of an affiliated entity or an executive officer, general partner or managing member of an affiliated entity.

*The Materiality of Other Relationships is for the Board to Determine*

If a director has a direct or indirect relationship with the issuer, then it will be material if, in the view of the issuer's board of directors, the relationship could reasonably interfere with the exercise of the director's independent judgement. These relationships may include commercial, charitable, industrial, banking, consulting, legal, accounting or familial relationships or any other relationship that the board considers to be material.

### New York Stock Exchange Rules

Under the New York Stock Exchange rules, the following requirements must be met to qualify as an "Independent Director":

- (a) No director qualifies as "independent" unless the board of directors affirmatively determines that the director has no material relationship with the listed company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the company). Companies must disclose these determinations.
- (b) In addition, the following persons are not independent:
  - Any director who is (or who has an immediate family member who is) an executive officer, other than on an interim basis, of the listed company;
  - any director who receives (or who has an immediate family member who receives) more than \$120,000 per year in direct compensation from the listed company ;
  - any director who is (or who has an immediate family member who is, in a professional capacity) a partner or employee of the listed company's internal or external auditor;
  - any director who is (or who has an immediate family member who is) employed as an executive officer of another company where any of the executives of the listed company also serves or served on that other company's compensation committee; and
  - any director who is an employee (or who has an immediate family member who is an executive officer) of another company that has made payments to, or received payments from, the listed company for property or services which exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues.

*Three Year "Cooling Off" Period.* For each of the categories above where a director is not (or is presumed not to be) independent, there is a three-year "cooling off" period. Accordingly, the existence of the prohibited relationship at any time during the preceding three years is presumed to impair independence.



**AGNICO-EAGLE MINES LIMITED**  
**CORPORATE GOVERNANCE COMMITTEE**  
**CHARTER**

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This Charter shall govern the activities of the corporate governance committee (the "Corporate Governance Committee") of the board of directors (the "Board of Directors") of Agnico-Eagle Mines Limited (the "Corporation").

**I. PURPOSE OF THE GOVERNANCE COMMITTEE**

The Corporate Governance Committee (the "Committee") shall advise and make recommendations to the Board of Directors in its oversight role with respect to: (a) the development of the Corporation's corporate governance policies, principles, practices and processes; (b) the effectiveness of the Board of Directors and its committees; (c) the contributions of individual directors; (d) the identification of individuals qualified to become board members; and (e) the selection of director nominees for election by the shareholders.

The Committee shall have the authority to delegate to one or more of its members, responsibility for developing recommendations for consideration by the Committee with respect to any of the matters referred to in this Charter.

**II. COMPOSITION**

The Corporate Governance Committee shall be comprised of a minimum of three directors, each of whom shall be unrelated and independent as determined by the Board of Directors in accordance with the applicable requirements of the laws governing the Corporation, the applicable stock exchanges on which the Corporation's securities are listed and applicable securities regulatory authorities. (See Schedule A for current requirements.)

The members of the Corporate Governance Committee shall be appointed by the Board of Directors annually at the first meeting of the Board of Directors after a meeting of the shareholders at which directors are elected and each member shall serve until: the next annual meeting of shareholders; they resign; their successors are duly appointed; or such member is removed from the Committee by the Board of Directors. The Board of Directors shall designate one member of the Corporate Governance Committee as the chair of the Corporate Governance Committee (the "Chair"), but if it fails to do so, then the members of the Corporate Governance Committee may designate the Chair by a majority vote of the full Corporate Governance Committee membership.

### **III. MEETINGS**

The Corporate Governance Committee shall meet at least twice annually and more frequently as desired or required. The Corporate Governance Committee shall seek to act on the basis of consensus, but an affirmative vote of a majority of members of the Corporate Governance Committee participating in any meeting of the Corporate Governance Committee shall be sufficient for the adoption of any resolution.

### **IV. COMMITTEE RESPONSIBILITIES AND DUTIES**

The Corporate Governance Committee's primary responsibilities are to:

1. review and assess the adequacy of this Charter, at least annually and, where necessary or desirable recommend changes to the Board of Directors;
2. review the Board of Directors committee structure on an annual basis and recommend to the Board of Directors any changes it considers necessary or desirable with respect to that committee structure, including (all in consultation with the Chairman of the Board): (a) the mandates of each committee; (b) the criteria for membership on any committee; (c) the composition of each committee; (d) the appointment and removal of members from any committee; (e) the operations of each committee, including the ability of any committee to delegate any or all of its responsibilities to a sub-committee of that committee; and (f) the process for each committee reporting to the Board of Directors;
3. review the charters of each committee of the Board of Directors at least annually, and recommend such changes as are required or desirable;
4. review the Corporation's corporate governance practices at least annually and recommend appropriate policies, practices and procedures to the Board of Directors;
5. review the corporate governance sections of the management information circular distributed to the Corporation's shareholders, including the statement of corporate governance practices;
6. develop and recommend to the Board of Directors a process for assessing the effectiveness of the Board of Directors, as a whole, the committees of the Board of Directors and the contribution of individual directors and be responsible for overseeing the execution of the assessment process approved by the Board of Directors;
7. evaluate its effectiveness and the effectiveness of its members pursuant to the process for such evaluation approved by the Board of Directors;
8. review at least annually the skills, areas of expertise, backgrounds, independence and qualifications of the members of the Board of Directors;

9. review annually the size and composition of the Board of Directors to ensure that there remain an appropriate number of "unrelated" and "independent" directors;
10. develop and recommend to the Board of Directors a Resignation Policy;
11. review and assess, on an annual basis, the performance of Directors and administer and apply the Resignation Policy;
12. develop and recommend to the Board of Directors an Outside Board Participation Policy;
13. administer and apply the Outside Board Participation Policy;
14. serve as a forum for individual directors to voice any concerns on matters not readily discussed at regular Board of Directors meetings;
15. recommend to the Board of Directors a system which enables an individual director to engage outside advisers at the Corporation's expense in appropriate circumstances and with the approval of the Committee;
16. recommend to the Board of Directors appropriate criteria for the selection of new directors, periodically review the criteria adopted by the Board of Directors and, if deemed desirable, recommend to the Board of Directors changes to such criteria;
17. identify and recommend qualified candidates to the Board of Directors who meet the selection criteria approved by the Board of Directors, and recommend the slate of nominees for election by shareholders at the annual meeting (and in this regard the Committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates or to otherwise assist the Committee in the discharge of its responsibilities, including the sole authority to approve the search firm's fees and other retention terms);
18. recommend to the Board of Directors structures and procedures to enable the Board of Directors to function independently of management and oversee the development and implementation of any structures and procedures approved by the Board of Directors;
19. review the relationship of the Board of Directors with management and recommend, where appropriate, limits on management's authority to act without the express approval of the Board of Directors;
20. assess shareholder proposals as necessary for inclusion in the management information circular and make appropriate recommendations to the Board of Directors;
21. oversee (a) the development and implementation of orientation programs for new directors; and (b) continuing education for all directors;

22. report to the Board of Directors following each meeting of the Committee and at such other times as the Board of Directors may consider appropriate; and
23. exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board of Directors.

## SCHEDULE A

### *Unrelated Director*

Under the Toronto Stock Exchange rules, "independent director" means a director who is:

- (a) not a member of management and is free from any interest and any business or other relationship which could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the issuer;
- (b) not currently, or has not been within the last three years, an officer, employee of or service provider to the issuer or any of its subsidiaries or affiliates; and
- (c) not an officer, employee or controlling shareholder of a company that has a material business relationship with the issuer.

### *Independent Director*

#### National Instrument – 52-110

A director is "independent" if he or she has no direct or indirect material relationship with the issuer. The following summarizes the major aspects of the National Instrument (NI52-110) relating to the independence of a director.

#### *Certain Relationships Automatically Exclude a Director From Serving on the Audit Committee*

If a director (or a member of the director's immediate family) has a specified type of relationship with the issuer (which includes the issuer's parent and subsidiary entities), then that director will not be considered independent. NI52-110 assumes that the following persons have a material relationship with the issuer (and are therefore precluded from sitting on the audit committee):

#### *Employment Relationships*

- an individual who is, or has been within the last three years, employee or executive officer of the issuer or an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;
- an individual who, or whose immediate family member, is, or has been within the last three years, an executive officer of another entity if any of the issuer's current executive officers serves or served at that same time on the compensation committee of that entity;
- an individual who received, or whose immediate family member who is employed as an executive officer of the issuer who received, more than C\$75,000 in direct compensation from the issuer during any 12 month period within the last three years (other than remuneration for acting as a member of the board of directors or any board committee of the issuer and fixed amounts received under a retirement plan for prior service with the issuer that is not contingent on continued service);

#### *Relationships with Internal or External Auditors*

- an individual who is a partner or employee of the issuer's internal or external auditor or an individual who was within the last three years a partner or employee of the issuer's internal or external auditor and personally worked on the issuer's audit within that time;
- an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual, is (i) a partner of the issuer's internal or external auditor, (ii) an employee of the issuer's internal or external auditor and participates in its audit, assurance or tax compliance (but not tax planning) practice, (iii) or an individual who was within the last three years a partner or employee of the issuer's internal or external auditor and personally worked on the issuer's audit within that time;

*Advisory or Consulting Relationships*

- an individual who accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than remuneration for acting as a member of the board or any board committee or as a part-time chair or vice-chair of the board or any board committee, including the indirect acceptance of a fee by an individual's spouse, minor child or stepchild, or child or stepchild who shares the individual's home or by an entity in which such individual is a partner, member, officer such as a managing director or executive officer and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer; and

*Relationships with Affiliated Entities*

- an individual who is an affiliated entity of the issuer or any of its subsidiary entities, where affiliated entity means a person that has the direct or indirect power to direct or cause the direction of management and the policies of the issuer or any of its subsidiary entities, whether through ownership of voting securities or otherwise (other than an individual who owns, directly or indirectly, ten percent or less of any class of voting securities of the issuer and is not an executive officer of the issuer) or an individual who is both a director and an employee of an affiliated entity or an executive officer, general partner or managing member of an affiliated entity.

*The Materiality of Other Relationships is for the Board to Determine*

If a director has a direct or indirect relationship with the issuer, then it will be material if, in the view of the issuer's board of directors, the relationship could reasonably interfere with the exercise of the director's independent judgement. These relationships may include commercial, charitable, industrial, banking, consulting, legal, accounting or familial relationships or any other relationship that the board considers to be material.

### New York Stock Exchange Rules

Under the New York Stock Exchange rules, the following requirements must be met to qualify as an "Independent Director":

- (a) No director qualifies as "independent" unless the board of directors affirmatively determines that the director has no material relationship with the listed company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the company). Companies must disclose these determinations.
- (b) In addition, the following persons are not independent:
  - Any director who is (or who has an immediate family member who is) an executive officer, other than on an interim basis, of the listed company;
  - any director who receives (or who has an immediate family member who receives) more than \$120,000 per year in direct compensation from the listed company ;
  - any director who is (or who has an immediate family member who is, in a professional capacity) a partner or employee of the listed company's internal or external auditor;
  - any director who is (or who has an immediate family member who is) employed as an executive officer of another company where any of the executives of the listed company also serves or served on that other company's compensation committee; and
  - any director who is an employee (or who has an immediate family member who is an executive officer) of another company that has made payments to, or received payments from, the listed company for property or services which exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues.

*Three Year "Cooling Off" Period.* For each of the categories above where a director is not (or is presumed not to be) independent, there is a three-year "cooling off" period. Accordingly, the existence of the prohibited relationship at any time during the preceding three years is presumed to impair independence.



## AGNICO EAGLE MINES LIMITED

### AUDIT COMMITTEE CHARTER

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This Charter shall govern the activities of the audit committee (the "Audit Committee") of the board of directors (the "Board of Directors") of AgnicoEagle Mines Limited (the "Corporation").

#### **I. PURPOSE OF THE AUDIT COMMITTEE**

The Audit Committee (the "Committee") shall: (a) assist the Board of Directors in its oversight responsibilities with respect to: (i) the integrity of the Corporation's and its subsidiaries financial statements, (ii) the Corporation's compliance with legal and regulatory requirements, (iii) the external auditor's qualifications and independence, and (iv) the performance of the Corporation's internal and external audit functions and; (b) prepare any report of the Audit Committee required to be included in the Corporation's annual report or proxy material. The head of the Corporation's internal audit function and the external auditors shall have direct and ready access to the Chair of the Committee.

The Committee shall have the authority to delegate to one or more of its members, responsibility for developing recommendations for consideration by the Committee with respect to any of the matters referred to in this Charter.

#### **II. COMPOSITION**

The Audit Committee shall be comprised of a minimum of three directors. No member of the Audit Committee shall be an officer or employee of the Corporation or any of its affiliates for the purposes of the applicable corporate statute. Each member of the Audit Committee shall be an unrelated and independent director as determined by the Board of Directors in accordance with the applicable requirements of the laws governing the Corporation, the applicable stock exchanges on which the Corporation's securities are listed and applicable securities regulatory authorities . (See Schedule A for current requirements.)

Each member of the Audit Committee shall be financially literate. Unless the Audit Committee shall otherwise determine, a member of the Audit Committee shall be considered to be financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

At least one member of the Audit Committee shall be a financial expert. (See Schedule B for definition.)

The members of the Audit Committee shall be appointed by the Board of Directors annually at the first meeting of the Board of Directors after a meeting of the shareholders at which directors are elected and shall serve until: the next annual meeting of the shareholders; they resign; their successors are duly appointed; or such member is removed from the Committee by the Board of Directors. The Board of Directors shall designate one member of the Audit Committee as the chair of the Audit Committee (the "Chair") or, if it fails to do so, the members of the Audit Committee shall appoint the Chair from among its members.

No member of the Audit Committee may earn fees from the Corporation or any of its subsidiaries other than directors fees (which fees may include cash and/or shares or restricted share units or other in-kind consideration ordinarily available to directors, as well as all of the regular benefits that other directors receive). For greater certainty, no member of the Audit Committee shall accept any consulting, advisory or other compensatory fee from the Corporation.

### **III. MEETINGS**

The Audit Committee shall meet at least quarterly or more frequently as required.

As a part of each meeting of the Audit Committee at which the Audit Committee recommends that the Board of Directors approve the annual audited financial statements or at which the Audit Committee reviews the quarterly financial statements, the Audit Committee shall meet in a separate session with the external auditor and, if desired, with management and/or the internal auditor. In addition, the Audit Committee or the Chair shall meet with management quarterly to review the Corporation's financial statements as described in Section IV.4 below and the Audit Committee or a designated member of the Audit Committee shall meet with the external auditors to review the Corporation's financial statements on a quarterly or other regular basis as the Audit Committee may deem appropriate.

The Audit Committee shall seek to act on the basis of consensus, but an affirmative vote of a majority of members of the Audit Committee participating in any meeting of the Audit Committee shall be sufficient for the adoption of any resolution.

### **IV. RESPONSIBILITIES AND DUTIES**

The Audit Committee's primary responsibilities are to:

#### General

1. review and assess the adequacy of this Charter at least annually and, where necessary or desirable, recommend changes to the Board of Directors;
2. report to the Board of Directors regularly at such times as the Chair may determine to be appropriate but not less frequently than four times per year;
3. follow the process established for all committees of the Board of Directors for assessing the Committee's performance;

### Documents/Reports Review

4. review the Corporation's financial statements and related management's discussion and analysis, Annual Information Form ("AIF") and related Form 40-F, Annual Report and any other annual reports or other financial information to be submitted to any governmental body or the public, including any certification, report, opinion or review rendered by the external auditors before they are approved by the Board of Directors and publicly disclosed;
5. review with the Corporation's management and the external auditors, the Corporation's quarterly financial statements and related management's discussion and analysis, before they are released;
6. ensure that adequate procedures are in place for the review of the issuer's disclosure of financial information extracted or derived from the issuer's financial statements other than the disclosure referred to in the two immediately preceding paragraphs and periodically assess the adequacy of such procedures;
7. review the effects of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Corporation;
8. review with the Corporation's management any press release of the Corporation which contains financial information (paying particular attention to the use of any "pro forma" or "adjusted" non-GAAP information);
9. review and assess, on a quarterly basis, management's risk assessment and risk management strategies including hedging and derivative strategies;

### External Auditors

10. recommend external auditors nominations to the Board of Directors to be put before the shareholders for appointment and, as necessary, the removal of any external auditor in office from time to time;
11. approve the fees and other compensation to be paid to the external auditors;
12. pre-approve all significant non-audit engagements to be provided to the Corporation with the external auditors;
13. require the external auditors to submit to the Committee, on a regular basis (at least annually), a formal written statement delineating all relationships between the external auditors and the Corporation and discuss with the external auditors any relationships that might affect the external auditors' objectivity and independence;
14. recommend to the Board of Directors any action required to ensure the independence of the external auditors;

15. advise the external auditors of their ultimate accountability to the Board of Directors and the Committee;
16. oversee the work of the external auditors engaged for the purpose of preparing an audit report or performing other audit, review and attest services for the issuer;
17. evaluate the qualifications, performance and independence of the external auditors which are to report directly to the Committee, including (i) reviewing and evaluating the lead partner on the external auditors' engagement with the Corporation, (ii) considering whether the auditors' quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditors' independence, (iii) determine the rotation of the lead audit partner and the audit firm, and (iv) take into account the opinions of management and the internal audit function in assessing the external auditors' qualifications, independence and performance;
18. present the Committee's conclusions with respect to its evaluation of external auditors to the Board of Directors and take such additional action to satisfy itself of the qualifications, performance and independence of external auditors and make further recommendations to the Board of Directors as it considers necessary;
19. obtain and review a report from the external auditors at least annually regarding: the external auditors' internal quality-control procedures; material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more external audits carried out by the firm; any steps taken to deal with any such issues; and all relationships between the external auditors and the Corporation;
20. establish policies for the Corporation's hiring of employees or former employees of the external auditors;

#### Internal Auditor

21. receive regular quarterly reports from the Corporation's internal auditor on the scope and material results of its internal audit activities commencing in 2007, based on the Internal Audit Charter;
22. review and discuss the Company's Code of Business Conduct and Ethics and fraud policy and the actions taken to monitor and enforce compliance with the Code and policy;
23. establish procedures for:
  - i) the receipt, retention and treatment of complaints regarding accounting, internal controls or auditing matters;
  - ii) the confidential, anonymous submission of concerns regarding questionable accounting, internal control and auditing matters; and

- iii) compliance with applicable foreign corrupt practices legislation, guidelines and practices.

#### Fraud Prevention and Detection

24. overseeing and assessing management's controls and processes to prevent and detect fraud;
25. receiving periodic reports from the internal auditors on findings of fraud as well as significant findings regarding the design and/or operation of internal controls and management responses

#### Financial Reporting Process

26. periodically discuss the integrity, completeness and accuracy of the Corporation's internal controls and the financial statements with the external auditors in the absence of the Corporation's management;
27. in consultation with the external auditors, review the integrity of the Corporation's financial internal and external reporting processes;
28. consider the external auditors' assessment of the appropriateness of the Corporation's auditing and accounting principles as applied in its financial reporting;
29. review and discuss with management and the external auditors at least annually and approve, if appropriate, any material changes to the Corporation's auditing and accounting principles and practices suggested by the external auditors, internal audit personnel or management;
30. review and discuss with the Chief Executive Officer and the Chief Financial Officer the procedures undertaken in connection with the Chief Executive Officer and Chief Financial Officer certifications for the interim and annual filings with applicable securities regulatory authorities;
31. review disclosures made by the Chief Executive Officer and Chief Financial Officer during their certification process for the annual and interim filings with applicable securities regulatory authorities about any significant deficiencies in the design or operation of internal controls which could adversely affect the Corporation's ability to record, process, summarize and report financial data or any material weaknesses in the internal controls, and any fraud involving management or other employees who have a significant role in the Corporation's internal controls;
32. establish regular and separate systems of reporting to the Committee by management and the external auditors of any significant decision made in management's preparation of the financial statements, including the reporting of the view of management and the external auditors as to the appropriateness of such decisions;

33. discuss during the annual audit, and review separately with each of management and the external auditors, any significant matters arising from the course of any audit, including any restrictions on the scope of work or access to required information; whether raised by management, the head of internal audit or the external auditors;
34. resolve any disagreements between management and the external auditors regarding financial reporting;
35. review with the external auditors and management the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented at an appropriate time subsequent to the implementation of such changes or improvements;
36. establish procedures to receive, record and handle complaints concerning accounting, internal accounting controls or auditing matters, including procedures for confidential, anonymous submission by employees of concerns regarding questionable auditing or accounting matters;
37. retain and determine the compensation of any independent counsel, accountants or other advisors to assist in its oversight responsibilities (the Committee shall not be required to obtain the approval of the Board of Directors for such purposes);
38. discuss any management or internal control letters or proposals to be issued by the external auditors of the Corporation;

#### Disclosure Controls and Procedures

39. obtain and review the statement of Corporate Disclosure Controls, Procedures and Policies prepared by the disclosure committee and, if appropriate, approve the disclosure controls and procedures set out in such statement and any changes made thereto;
40. receive confirmation from the CEO and CFO that reports to be filed with Canadian Securities commissions, the SEC and any other applicable regulatory agency:
  - (a) have been prepared in accordance with the Corporation's disclosure controls and procedures; and
  - (b) contain no material misrepresentations or omissions and fairly presents, in all material respects, the financial condition, results of operations and cash flow as of and for the period covered by such reports;
41. receive confirmation from the CEO and CFO that they have concluded that the disclosure controls and procedures are effective as of the end of the period covered by the reports;
42. discuss with the CEO and CFO any reasons for which any of the confirmations referred to in the two preceding paragraphs cannot be given by the CEO and CFO;

### Legal Compliance

43. confirm that the Corporation's management has the proper review system in place to ensure that the Corporation's financial statements, reports, press releases and other financial information satisfy legal requirements;
44. review legal compliance matters with the Corporation's legal counsel;
45. review with the Corporation's legal counsel any legal matter that the Committee understands could have a significant impact on the Corporation's financial statements;
46. conduct or authorize investigations into matters within the Committee's scope of responsibilities;
47. perform any other activities in accordance with the Charter, the Corporation's by-laws and governing law the Committee or the Board of Directors deems necessary or appropriate;

### Related Party Transactions

48. review the financial reporting of any transaction between the Corporation and any officer, director or other "related party" (including any shareholder holding an interest greater than 5% in the Corporation) or any entity in which any such person has a financial interest;

### Reporting and Powers

49. report to the Board of Directors following each meeting of the Committee and at such other times as the Board of Directors may consider appropriate; and
50. exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board of Directors.

## **V. LIMITATION OF RESPONSIBILITY**

While the Audit Committee has the responsibilities and powers provided by this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Corporation's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management (with respect to whom the Audit Committee performs an oversight function) and the external auditors.

## SCHEDULE A

### *Unrelated Director*

Under the Toronto Stock Exchange rules, "independent director" means a director who is:

- (a) not a member of management and is free from any interest and any business or other relationship which could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the issuer;
- (b) not currently, or has not been within the last three years, an officer, employee of or service provider to the issuer or any of its subsidiaries or affiliates; and
- (c) not an officer, employee or controlling shareholder of a company that has a material business relationship with the issuer.

### *Independent Director*

#### National Instrument – 52-110

A director is "independent" if he or she has no direct or indirect material relationship with the issuer. The following summarizes the major aspects of the National Instrument (NI52-110) relating to the independence of a director.

#### *Certain Relationships Automatically Exclude a Director From Serving on the Audit Committee*

If a director (or a member of the director's immediate family) has a specified type of relationship with the issuer (which includes the issuer's parent and subsidiary entities), then that director will not be considered independent. NI52-110 assumes that the following persons have a material relationship with the issuer (and are therefore precluded from sitting on the audit committee):

#### *Employment Relationships*

- an individual who is, or has been within the last three years, employee or executive officer of the issuer or an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;
- an individual who, or whose immediate family member, is, or has been within the last three years, an executive officer of another entity if any of the issuer's current executive officers serves or served at that same time on the compensation committee of that entity;
- an individual who received, or whose immediate family member who is employed as an executive officer of the issuer who received, more than C\$75,000 in direct compensation from the issuer during any 12 month period within the last three years (other than remuneration for acting as a member of the board of directors or any board committee of the issuer and fixed amounts received under a retirement plan for prior service with the issuer that is not contingent on continued service);

### *Relationships with Internal or External Auditors*

- an individual who is a partner or employee of the issuer's internal or external auditor or an individual who was within the last three years a partner or employee of the issuer's internal or external auditor and personally worked on the issuer's audit within that time;
- an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual, is (i) a partner of the issuer's internal or external auditor, (ii) an employee of the issuer's internal or external auditor and participates in its audit, assurance or tax compliance (but not tax planning) practice, (iii) or an individual who was within the last three years a partner or employee of the issuer's internal or external auditor and personally worked on the issuer's audit within that time;

### *Advisory or Consulting Relationships*

- an individual who accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than remuneration for acting as a member of the board or any board committee or as a part-time chair or vice-chair of the board or any board committee, including the indirect acceptance of a fee by an individual's spouse, minor child or stepchild, or child or stepchild who shares the individual's home or by an entity in which such individual is a partner, member, officer such as a managing director or executive officer and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer; and

### *Relationships with Affiliated Entities*

- an individual who is an affiliated entity of the issuer or any of its subsidiary entities, where affiliated entity means a person that has the direct or indirect power to direct or cause the direction of management and the policies of the issuer or any of its subsidiary entities, whether through ownership of voting securities or otherwise (other than an individual who owns, directly or indirectly, ten percent or less of any class of voting securities of the issuer and is not an executive officer of the issuer) or an individual who is both a director and an employee of an affiliated entity or an executive officer, general partner or managing member of an affiliated entity.

### *The Materiality of Other Relationships is for the Board to Determine*

If a director has a direct or indirect relationship with the issuer, then it will be material if, in the view of the issuer's board of directors, the relationship could reasonably interfere with the exercise of the director's independent judgement. These relationships may include commercial, charitable, industrial, banking, consulting, legal, accounting or familial relationships or any other relationship that the board considers to be material.

### *Exceptions to the Independence Requirement*

NI52-110 provides exemptions from the independence requirements for:

- audit committee members who cease to be independent for reasons outside their control (but only for a limited period of time);
- directors appointed to the audit committee to fill a vacancy resulting from the death, disability or resignation of a member of the audit committee (but only for a limited period of time). The director appointed to fill the vacancy is also temporarily exempt from the financial literacy requirements;
- audit committee members, under exceptional and limited circumstances as determined by the board in its reasonable judgment, who are not consultants or advisors, not an affiliated entity of the issuer or any of its subsidiary entities, not an employee or officer of the issuer or an immediate family member of such and do not act as chair of the audit committee (but only for a maximum period of two years); and
- U.S. listed issuers complying with the audit committee requirements of their U.S. exchange or quotation system (provided they make the necessary disclosure in their AIF (Annual Information Form)).

### New York Stock Exchange Rules

Under the New York Stock Exchange rules, the following requirements must be met to qualify as an "Independent Director":

- (a) No director qualifies as "independent" unless the board of directors affirmatively determines that the director has no material relationship with the listed company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the company). Companies must disclose these determinations.
- (b) In addition, the following persons are not independent:
  - Any director who is (or who has an immediate family member who is) an executive officer, other than on an interim basis, of the listed company;
  - any director who receives (or who has an immediate family member who receives) more than \$120,000 per year in direct compensation from the listed company ;
  - any director who is (or who has an immediate family member who is, in a professional capacity) a partner or employee of the listed company's internal or external auditor;
  - any director who is (or who has an immediate family member who is) employed as an executive officer of another company where any of the executives of the

listed company also serves or served on that other company's compensation committee; and

- any director who is an employee (or who has an immediate family member who is an executive officer) of another company that has made payments to, or received payments from, the listed company for property or services which exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues.

*Three Year "Cooling Off" Period.* For each of the categories above where a director is not (or is presumed not to be) independent, there is a three-year "cooling off" period. Accordingly, the existence of the prohibited relationship at any time during the preceding three years is presumed to impair independence.

### ***Sarbanes-Oxley Act***

- (a) *In General.* Each member of the audit committee of the issuer shall be a member of the board of directors of the issuer, and shall otherwise be independent.
- (b) *Criteria.* In order to be considered to be independent for purposes of this paragraph, a member of an audit committee of an issuer may not, other than in his or her capacity as a member of the audit committee, the board of directors or any other board committee:
  - accept any consulting, advisory or other compensatory fee from the issuer; or
  - be an affiliated person of the issuer or any subsidiary thereof.

*Exemption Authority.* The Commission may exempt from the requirements of subparagraph (b) a particular relationship with respect to audit committee members, as the Commission determines appropriate in light of the circumstances.

## SCHEDULE B

### *Audit Committee Financial Expert*

An "audit committee financial expert" must possess all of the following attributes:

- (a) an understanding of generally accepted accounting principles and financial statements;
- (b) the ability to assess the general application of such principles in connection with the accounting for estimates, accruals, and reserves;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the issuer's financial statements, or experience actively supervising one or more persons engaged in such activities;
- (d) an understanding of internal control over and procedures for financial reporting; and
- (e) an understanding of audit committee functions.

The audit committee financial expert must also have acquired those attributes through:

- (a) education and experience as a principal financial officer, principal accounting officer, controller, public accountant, auditor or experience in one or more positions that involve the performance of similar functions;
- (b) experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant or auditor or person performing similar functions;
- (c) experience overseeing or assessing the performance of companies or public accountants for the preparation, auditing or evaluation of financial statements; or
- (d) other relevant experience.

"Active supervision" means the supervisor participated in, and contributed to, the process of addressing the same types of issues relating to the preparation, auditing, analysis and evaluation of financial statements as the person actually performing the work.



## **AGNICO EAGLE MINES LIMITED**

### **HEALTH, SAFETY, ENVIRONMENT AND SUSTAINABLE DEVELOPMENT COMMITTEE CHARTER**

This Charter shall govern the activities of the Health, Safety, Environment and Sustainable Development committee (the "HSESD Committee") of the board of directors (the "Board of Directors" or "Board") of Agnico Eagle Mines Limited (the "Corporation").

#### **I. PURPOSE OF THE SUSTAINABLE DEVELOPMENT COMMITTEE**

The HSESD Committee (the "Committee") shall advise and make recommendations in accordance with the Sustainable Development Policy to the Board of Directors in its oversight role with respect to the Corporation's, health and safety, environmental and corporate social responsibility strategy, policies, programs and performance.

The purpose of the Committee is to assist the Board in regards to:

- monitoring and reviewing health and safety, environmental and community risks;
- ensuring the Corporation's compliance with applicable legal and regulatory requirements associated with health, safety, environment and social matters;
- supporting furtherance of the Corporation's commitment to adoption of best practices in mining operations, promotion of a healthy and safe work environment, and environmentally sound and socially responsible resource development.

The Committee shall have the authority to delegate to one or more of its members, responsibility for developing recommendations for consideration by the Committee with respect to any of the matters referred to in this Charter.

#### **II. COMPOSITION**

The Committee shall be comprised of a minimum of three directors, a majority of whom shall be unrelated and independent as determined by the Board of Directors in accordance with the applicable requirements of the laws governing the Corporation, the applicable stock exchanges on which the

Corporation's securities are listed and applicable securities regulatory authorities. (See Schedule A for current requirements.)

The members of the Committee shall be appointed by the Board of Directors annually at the first meeting of the Board of Directors after a meeting of the shareholders at which directors are elected and each member shall serve until: the next annual meeting of shareholders; they resign; their successors are duly appointed; or such member is removed from the Committee by the Board of Directors. The Board of Directors shall designate one member of the Committee as the chair of the Committee (the "Chair"), but if it fails to do so, then the members of the Committee may designate the Chair by a majority vote of the full Committee membership.

### **III. MEETINGS**

The Committee shall meet at least four times annually and more frequently as desired or required. The Committee shall seek to act on the basis of consensus, but an affirmative vote of a majority of members of the Committee participating in any meeting of the Committee shall be sufficient for the adoption of any resolution.

### **IV. COMMITTEE RESPONSIBILITY AND DUTIES**

The Committee's primary responsibilities are to:

1. On a quarterly basis, review reports by management on health, safety, environmental and community affairs;
2. On an annual basis, review a health and safety, environment and sustainable development report by management;
3. Encourage, assist, support and counsel management in developing short and long term policies and standards to ensure that the principles set out in the health, safety, environment, and community policies are being adhered to and achieved;
4. Assure that management of the Corporation is monitoring trends and reviewing current and emerging issues in the environmental, health and safety and corporate social responsibility fields, as well as evaluating their impact on the Corporation;

5. Review results of operational, health, safety and environment audits and management's activities to maintain appropriate internal and external health, safety and environmental audits;
6. Review and make recommendations in regard to the environmental, health and safety and sustainability policies and procedures;
7. Keep the Corporation's directors abreast of their duties and responsibilities related to the scope of the Committee;
8. Evaluate the effectiveness of the environment, safety and health and sustainability programs and make recommendations for improvement;
9. Review and make recommendations in regard to any health, safety and environment compliance issues;
10. Assess the health and safety, environment and sustainable development management procedures and recommend improvements, if any;
11. Determine if any health, safety, environmental or community incidents are of significance to report to the Board;
12. Review the scope of potential environmental, health and safety and social liabilities and the adequacy of the environmental, health and safety and social management systems to manage these liabilities.
13. Receive reports from management on the Corporation's corporate social responsibility performance to assess the effectiveness of the corporate social responsibility programs.
14. Make periodic visits, as individual members or as the Committee, to corporate locations in order to become familiar with the nature of the operations, and to review relevant objectives, procedures and performance with respect to health, safety, environment and community matters;
15. Request investigation of any extraordinary negative health, safety and environment performance where appropriate;
16. Report to the Board of Directors following each meeting of the Committee and at such other times as the Board of Directors may consider appropriate; and
17. exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board of Directors.

In all cases, the Committee will, where appropriate, report to the Board and make recommendations to the management of the Corporation and/or to the Board.

### **Responsibilities of the Chair**

The Committee Chair is responsible for:

1. Establishing the frequency of Committee meetings and the agendas for meetings;
2. Providing leadership to the Committee and presiding over Committee meetings;
3. Reporting to the Board with respect to the significant activities of the Committee and any recommendations of the Committee;
4. Annually reviewing and assessing the adequacy of its mandate and evaluating its effectiveness in fulfilling its mandate; and
5. Ensuring that the Committee carries out its mandate through reasonably required steps



# AGNICO EAGLE

## Supplier Code of Conduct

### Introduction

Agnico Eagle Mines Limited (collectively with its affiliates, “Agnico”), is committed to conducting business in an ethical, legal and socially responsible manner. Agnico values the relationships with its suppliers (“Suppliers”) as they are critical to Agnico’s success and allow us to meet our business objectives. It is Agnico’s objective to partner with Suppliers that share our values and meet our requirements as it relates to this Supplier Code of Conduct (“Code”).

### Compliance with Laws

Suppliers must operate their businesses in compliance with all applicable laws, codes, rules and regulations of the jurisdictions in which they operate.

### Health & Safety

Suppliers must comply with all Health & Safety laws and provide a high standard of care as it relates to the health, safety, and well-being of their employees, suppliers, customers, communities and others who might be affected by their actions. In addition, Suppliers must comply with Agnico’s Health & Safety policies during the course of any visit to, or operations on, an Agnico site.

### Environment

Suppliers must meet or exceed all Environmental laws where they operate and actively manage any environmental risks due to their activities. In addition, Suppliers must comply with Agnico’s Environmental policies during the course of any visit to, or operations on, an Agnico site.

### Anti-Corruption

Suppliers must comply with all applicable anticorruption laws, including, (i) the Canadian *Corruption of Foreign Public Officials Act*, (ii) the U.S. Foreign Corrupt Practices Act, and (iii) local laws in the jurisdictions in which they operate. Where there are variations in the applicable laws, Suppliers must comply with the strictest requirement. Suppliers must inform Agnico if any of their directors, officers, shareholders or senior managers are “government officials” for purposes of anti-corruption laws.

### Antitrust

Suppliers must not engage in any collusive bidding, price fixing or other unfair trade practices and will comply with all applicable competition/antitrust laws and other laws intended to promote free and fair competition.

### Human Rights

Suppliers must uphold the highest standards of human rights and treat their workers and contractors with dignity and respect. Suppliers must not employ children below the minimum legal age where the work is performed and in any event, no worker shall be employed who is under the age of 15. Forced labor in any form is prohibited.

**Discrimination**

Suppliers must not discriminate on the basis of race, color, religion, nationality, gender, ethnicity, age, marital status, creed, sexual orientation, political beliefs, pregnancy, disability or other basis prohibited by law.

**Conflict of Interest**

Suppliers must alert Agnico immediately if they become aware of any situation that is or could reasonably be expected to give rise to a conflict of interest between Agnico and the Supplier.

**Insider Trading**

Suppliers must comply with all insider trading laws and not trade in the securities of Agnico during any period when they have become aware of confidential or material information of Agnico until the confidential or material information has been fully disclosed and a reasonable period of time has passed for such information to be widely disseminated.

**Confidentiality**

Suppliers must maintain all proprietary information of Agnico in the strictest confidence.

**Gifts and Entertainment**

Suppliers must not provide any personal gifts, favors or other compensation to an Agnico employee that are intended to influence, or appear to influence, a business decision.

**Demonstration of Compliance**

Suppliers must be able to demonstrate compliance with this Code at the request and to the satisfaction of Agnico and provide reasonable assistance to Agnico during the course of any investigation into the Suppliers compliance with this Code.

\*\* \*\* \* \*\* \* \*\* \*

This Code forms part of all agreements between Agnico and its Suppliers. Suppliers are required to comply with this Code and to ensure that its employees and representatives understand and comply with this Code. Failure to adhere to this Code may be grounds for termination of the Supplier relationship and any related agreements.

By signing below, Supplier acknowledges and agrees to the Code.

Name of Supplier: \_\_\_\_\_

Authorized Signatory: \_\_\_\_\_

Name: \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_



# AGNICO EAGLE



## AGNICO EAGLE MINES LIMITED

### CODE OF BUSINESS CONDUCT AND ETHICS

#### Introduction

The Code of Business Conduct and Ethics (the "Code of Ethics") embodies the commitment of Agnico Eagle Mines Limited (the "Corporation") and its subsidiaries to conduct our business in accordance with all applicable laws, rules and regulations and the highest ethical standards. **All employees and members of our Board of Directors are expected to adhere to those principles and procedures of the Code of Ethics that apply to them.**

#### Compliance and Reporting

Any employee or director who becomes aware of any existing or potential violation of the Code of Ethics may notify the Primary Contact or Secondary Contact in accordance with the procedures set out in the Confidential Anonymous Complaint Reporting Policy (the "Reporting Policy") for guidance and direction on the topic . All reports will be treated confidentially and it is the Corporation's policy not to allow retaliation against anyone for reports of misconduct made in good faith.

#### Conflicts of Interest

A "conflict of interest" occurs when an individual's personal interest improperly interferes with the interests of the Corporation. Conflicts of interest are prohibited as a matter of policy, unless they have been approved by the Corporation. In particular, an employee or director must never use or attempt to use his or her position at the Corporation to obtain any improper personal benefit for himself or herself, for his or her family members or for any other person.

Any employee or director who is aware of any situation that is or could reasonably be expected to give rise to a conflict of interest must discuss the matter promptly with the Primary (General Counsel) or Secondary (CFO) Contact, who are specified in the Confidential Anonymous Complaint Reporting Policy.

#### Employees' Other Interests

While the Corporation recognizes and respects an employee's right to take part in financial, business and other activities outside their jobs, these activities must be free of conflict with their responsibilities as the Corporation's employees. Employees must avoid acquiring any interests or participating in any activities that might reasonably be regarded as:

- i. creating an obligation or distraction which would affect their judgement or ability to act solely in the Corporation's best interests; or

- ii. depriving the Corporation of the time or attention required to perform their duties properly.

Employees must disclose to their supervisor, in writing, all business, commercial or financial interests or activities which might reasonably be regarded as creating an actual or potential conflict with their duties of employment.

Each employee of the Corporation who has executive or supervisory responsibility is required to see that actions taken and decisions made within his or her jurisdiction are free from the influence of any interests that might reasonably be regarded as conflicting with those of the Corporation.

### **Public Disclosure**

Information in the Corporation's public communications, including securities commission filings and communications with shareholders, must be full, fair, accurate, timely and understandable. All employees and directors who are involved in the Corporation's disclosure process are expected to act in furtherance of this policy. In particular, these individuals are required to be familiar with the disclosure requirements for the Corporation and are prohibited from knowingly misrepresenting, omitting, or causing others to misrepresent or omit, material facts about the Corporation to others, whether within or outside the Corporation, including the Corporation's independent auditors. Additionally, any employee or director with a supervisory role in the Corporation's disclosure process is required to discharge his or her responsibilities diligently. For further guidance, employees and directors should refer to the Corporation's Statement of Disclosure Controls, Procedures and Policies.

### **Compliance with Laws, Rules and Regulations**

Compliance with all applicable governmental laws, rules and regulations is essential to conducting our business. Each employee and director is expected to adhere to the standards and restrictions imposed by those laws, rules and regulations. For greater certainty, fraud, bribery (either providing a bribe or receiving a bribe) and sexual misconduct or harassment is against the law and is strictly prohibited.

### **Accountability**

Employees and directors will be held accountable for their adherence to the Code of Ethics. Failure to observe the terms of the Code of Ethics may result in disciplinary action, including termination of employment or removal from the Board of Directors. Violations of the Code of Ethics may also constitute violations of law and may result in civil or criminal penalties for employees, directors and the Corporation.

## **Corporate Opportunities**

Employees and directors are expected to advance the Corporation's legitimate business interests when the opportunity to do so arises. Employees and directors may not take for themselves (or direct to a third party) a business opportunity that is discovered through the use of the Corporation's property, information or position, unless the Corporation has already been offered the opportunity and turned it down. More generally, employees and directors are prohibited from using corporate property, information or position to compete with the Corporation.

The line between personal benefits and those of the Corporation is often difficult to draw and sometimes both personal benefits and benefits to the Corporation may be derived from certain activities. If an employee or director has any questions that a personal use of the Corporation's property or services may not solely be for the benefit of the Corporation, he or she should discuss the matter with the Primary or Secondary Contact.

## **Confidentiality**

In carrying out the Corporation's business, employees and directors often learn confidential or proprietary information about the Corporation, its customers, suppliers, business partners, or other third parties. Employees and directors must respect and support the confidentiality of such information, except when disclosure is authorized or legally mandated. Confidential or proprietary information includes, among other things, any non-public information concerning the Corporation, including its businesses, financial performance, results or prospects, and any non-public information provided by a third party with the expectation that the information will be kept confidential and used solely for the business purpose for which it was conveyed. Employees and directors should refer to the policies set forth in the Corporation's statement of Disclosure Controls, Procedures and Policies under "Disclosure of Material Information", "Rumours", "Quiet Periods" and "Maintaining Confidentiality" for more detailed guidance on this topic.

## **Ore Reserves**

The calculation of ore reserves and other mineral resources is to be made in a manner consistent with applicable laws, and the Corporation's policies and procedures. Ore reserve and other mineral resource estimates are considered confidential until made public by an officer with proper authority. Compliance with all legal requirements for the delineation of ore reserves and other mineral resources is critical.

Ore reserves are one of the primary bases for the valuation of the Corporation's securities. Accurate and timely disclosure of ore reserve and mineral resource data is critical to the integrity of the Corporation within the investment community.

## **Public Relations**

The Corporation's Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), General Counsel and Vice President of Investor Relations are responsible for all public relations, including all contact with the media, shareholders, analysts and other members of the investment community. For further guidance on this topic, please refer to the Corporation's Statement of Disclosure Controls, Procedures and Policies.

## **IT USAGE**

The Corporation provides its employees with Information Technology services and equipment to be used as business tools that will assist them in performing their job functions. Employees are to use these tools and services in a professional, lawful and ethical manner and in accordance to this document and the full policy document attached. And in turn, this will allow the Corporation to secure its intellectual data, protect the confidentiality of corporate information and maintain a professional corporate image in the industry.

## **Giving Gifts or Benefits**

Employees and directors must not offer or give on behalf of the Corporation extravagant gifts or excessive entertainment or benefits to others.

Modest gifts and reasonable entertainment may be given for business purposes by appropriate employees or directors, where legally permitted and in accordance with local business practices, to persons or entities doing business or seeking to do business with the Corporation. No gift or entertainment should be of such value as to constitute a real personal enrichment of the recipient or to be perceived as such. Cash or cash value vouchers are not to be given. Gifts or entertainment given on behalf of the Corporation should be of a nature and amount that avoid embarrassment and would not reflect unfavourably on the Corporation or the recipient, if subjected to public scrutiny.

## **Receiving Gifts or Benefits**

Employees and directors must not use their position to obtain personal gain or benefit from those doing or seeking to do business with the Corporation. Employees and directors must not seek any gifts, payments, services, loans, or other benefits.

Employees and directors are required to select and deal with suppliers, customers and others doing or seeking to do business with the Corporation in a completely impartial manner and be perceived by others to be acting in an impartial manner, without favour or preference based upon any considerations other than the best interests of the Corporation. Modest gifts and reasonable entertainment may be received from business associates of the Corporation. No gift, favour or entertainment shall be of such a nature as might affect, or reasonably be perceived to affect, an employee's judgment or conduct in matters involving the Corporation. Cash or cash value vouchers are not to be accepted. Gifts or benefits of a more substantial nature from customers or suppliers are not encouraged. However, occasionally there are special circumstances that may apply and, in such cases, permission must be obtained from the Primary or Secondary Contact.

### **Fair Dealing**

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through illegal or unethical business practices. Stealing proprietary information, possessing or using trade secrets obtained without the owners consent, or inducing such disclosures by past or present employees of other companies is prohibited.

Each employee and director is expected to deal fairly with the Corporation's service providers, suppliers, competitors and employees. No employee or director should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

### **Restriction on Corporate Political Donations**

Political donations shall not be made in the name of the Corporation. Directors, officers or employees may make political donations (in compliance with applicable laws) as individuals; the Corporation shall not reimburse any individual for such donations.

### **Equal Employment Opportunity and Harassment**

Our personnel decisions are made on the basis of merit and contribution to the Corporation's success. Concern for the personal dignity and individual worth of every person is an indispensable element in our standard of conduct. The Corporation affords equal employment opportunity to all qualified persons without regard to any impermissible criterion or circumstance. This means equal opportunity in regard to each individual's terms and conditions of employment and in regard to any other matter that affects in any way the working environment of the employee. We do not tolerate or condone any type of discrimination prohibited by law, including harassment. Employees who experience or observe work-related discrimination, harassment or similar problems are urged to report them to the Primary or Secondary Contact.

## **Insider Trading**

Securities legislation in Canada requires the Corporation to disclose material information in a timely manner. It also seeks to protect the public from abuse of material information by insiders of the Corporation before it is generally disclosed by imposing sanctions for such abuse. These sanctions may be imposed on directors and senior officers of the Corporation and other persons who have access to undisclosed material information about the Corporation as a result of that person's relationship with the Corporation (or an insider of the Corporation). They could, for example, be imposed on employees, family members of the Corporation's employees and on other persons who learn of undisclosed material information through the Corporation's employees.

It is both illegal and against policy for any employee or director who is aware of material non-public information relating to the Corporation, any of its customers, suppliers, service providers or other business partners, or any other company to buy or sell any securities of those issuers or to pass on the information to anyone else except in the necessary course of business. Accordingly, insiders and employees with knowledge of confidential or material information about the Corporation, or counter-parties in negotiations of material potential transactions, are prohibited from trading shares in the Corporation or any counter-party until the confidential or material information has been fully disclosed and a reasonable period of time has passed for such information to be widely disseminated.

Material information is information that would reasonably be expected to result in a significant change in, or to have a significant effect on, the market price or the value of a corporation's securities or which could affect the decision of a reasonable investor to invest in a corporation's securities. Examples include:

- a major acquisition or disposition;
- a significant change in capital or corporate structure;
- anticipated significant changes in earnings or production;
- change in dividends;
- significant litigation;
- entering into or loss of significant contracts;
- disputes with major contractors or suppliers; and
- public or private sale of additional securities.

This is not an exhaustive list and other information may also constitute material information.

To prevent insider trading violations and avoid embarrassing situations both for the Corporation and employees and directors, all officers, directors and certain senior employees of the Corporation are prohibited from selling or buying securities of the Corporation at frequent intervals and all directors, officers and certain senior employees are prohibited from selling such securities short at any time. (Note: despite the foregoing prohibition on short sales, a person may sell a security they do not own if they own another security convertible into the security sold or an option or right to acquire the security sold and, within ten days after the sale, they: (a)

exercise the conversion privilege, option or right and deliver the security so acquired to the purchaser; or (b) transfer the convertible security, option or right to the purchaser.)

Purchases of the Corporation's securities should be made for long term investment rather than for speculative purposes. In addition, , officers, directors and certain management level employees (as determined from time to time by the CEO, CFO and General Counsel) of the Corporation must consult **in writing** with and obtain clearance **in writing** from the Primary or Secondary Contact before buying or selling securities of the Corporation or exercising any of the Corporation's options, other than pursuant to the Corporation's Incentive Share Purchase Plan. Unless it is clear that there is no undisclosed material information concerning the Corporation, clearance to complete a proposed trade will be denied. The Corporation's policy is to be cautious and conservative when granting or denying trading clearance in recognition of the fact that trades that create notoriety, even if they are ultimately found to be proper, tarnish the Corporation's goodwill and reputation, especially among its shareholders and analysts. Approvals for a proposed transaction will be effective for five business days, unless revoked prior to that time. No shares of the Corporation may be purchased or sold or options exercised after that five business day period ends unless the approval is renewed.

Trading blackout periods will apply to those directors, officers and management-level employees during periods when financial statements are being prepared but results have not yet been publicly disclosed. The blackout period commences on the first day of the month following the end of an interim quarter and ends at the end of the second business day following the issuance of a news release disclosing quarterly results. At December 31<sup>st</sup> only, the blackout period commences on January 15th of the following year, and ends at the end of the second business day following the issuance of a news release disclosing the audited year end results.

Blackout periods may be prescribed from time to time by the Disclosure Committee as a result of special circumstances relating to the Corporation pursuant to which insiders of the Corporation would be precluded from trading in securities of the Corporation. All parties with knowledge of such special circumstances should be covered by the blackout. Such parties may include external advisors such as legal counsel, investment bankers, auditors and counter-parties in negotiations of material potential transactions. The trading blackout periods do not apply to purchases and sales made pursuant to the Corporation's Dividend Reinvestment Plan or Incentive Share Purchase Plan.

Transactions that may be necessary or justifiable for independent reasons, including emergency expenditures and transactions planned before the employee or director learned the material information, are not exceptions to the foregoing trading restrictions. Even the appearance of an improper transaction must be avoided to prevent any potential risk to the Corporation or the individual. Violations of insider trading laws may be punishable by fines or imprisonment.

Certain "insiders" are obliged to file reports for all trades made by them in the Corporation's securities. The persons subject to this obligation include:

- directors and senior officers of the Corporation;
- directors and senior officers of the Corporation's subsidiaries; and

- beneficial owners of more than 10% of the votes attached to the voting securities of the Corporation as well as the directors and senior officers of such shareholders.

These insiders must file reports with various securities commissions in Canada. In order to ensure that insider trading reports are filed on a timely basis in all applicable jurisdictions, all approved transactions once completed must be reported immediately by insiders to the Manager, Corporate/Securities Legal Service of the Legal Department (Virginia De La Cruz) at head office who will co-ordinate with such insiders the preparation and filing of all necessary insider trading reports.

### **Financial Controls and Records**

Accounting and financial records must be maintained which accurately reflect all of the Corporation's transactions. Each operating unit is responsible for the design, implementation and maintenance of adequate systems of internal accounting and administrative controls.

The Corporation's accounting and financial records must reflect, in an accurate, complete and timely manner, all transactions affecting the Corporation in order to meet statutory requirements and to ensure proper preparation of the Corporation's financial statements in accordance with the applicable generally accepted accounting principles. Transactions must be properly authorized and approved and recorded in accordance with both the applicable generally accepted accounting principles and the highest standards of integrity. Accounting and financial records must be adequately protected from destruction or tampering.

While the management style adopted by the Corporation gives employees considerable discretion in their duties, all employees are responsible for establishing and maintaining an effective system of accounting and administrative controls in their area of responsibility. The objective of these controls is to provide assurance that all assets are adequately protected, properly used and the financial records accurately reflect the assets and liabilities of the Corporation. Management of the relevant operating unit is responsible for knowing what can go wrong in their area of responsibility, and to be alert for symptoms of wrongdoing, loss or errors. Notwithstanding this, regional Controllers or their equivalent are responsible for the overall integrity of the financial systems and controls in their regions. Accordingly they are expected and authorized to intervene to investigate and take action in situations at operations within their region where they believe financial controls are not meeting standards or are at risk of being circumvented.

No person may conceal information from management, the Corporation's internal or external auditors or legal counsel.

Internal control provides the Corporation with a system of "checks and balances" to assist in ensuring that accounting and administrative policies are complied with throughout the Corporation. This is not only a good business practice, but also ensures compliance with the various securities and tax laws to which the Corporation is subject.

**Waivers Of The Code Of Ethics**

The Corporation may waive certain provisions of the Code of Ethics when deemed absolutely appropriate under the circumstances. Any employee or director who believes that a waiver may be called for should discuss the matter with the Primary or Secondary Contact. Waivers for executive management (including senior financial management) or directors of the Corporation may be made only by the Board of Directors or a committee of the Board. Waivers will be disclosed as required under applicable securities commission and stock exchange rules.

**Acknowledgement**

I, (insert name) \_\_\_\_\_ hereby acknowledge having reviewed this Code and that I understand its provisions and will respect this Code and its intent at all times.

I further acknowledge that I have received and reviewed all sections of this Code listed below:

- 1) **CODE OF BUSINESS CONDUCT AND ETHICS**
- 2) **INFORMATION TECHNOLOGY USAGE POLICY**
- 3) **CONFIDENTIAL ANONYMOUS COMPLAINT REPORTING POLICY**

\_\_\_\_\_

Signature

\_\_\_\_\_

Date

Please list any Conflicts of Interest with a detailed description of the Conflict below:

Conflict of Interest

Description of Conflict



## Tailings Management Standard

At the core of our business we are committed to creating value for our shareholders by operating in a safe, socially and environmentally responsible manner while contributing to the prosperity of our employees, their families and the communities in which we operate. This has translated into the four fundamental values of our Sustainable Development Policy: operate safely, protect the environment, and treat our employees and communities with respect.

In line with those values, we are committed to managing tailings facilities to protect the health and safety of our employees and communities, and to minimize effects on the environment. For this purpose, we have included tailings management as part of our Responsible Mining Management System.

To fulfill our commitment to responsible tailings management we locate, design, construct, operate, decommission and close tailings facilities ensuring that:

- all structures are stable,
- all solids and water are managed within designated areas;
- all aspects of tailings management comply with regulatory requirements, company standards, sound engineering principles and applicable industry best practices, including the principles of the Mining Association of Canada's tailings management guidelines;
- communities of interest are consulted and their concerns taken into account in the management of tailings facilities; and
- leadership, personal commitment and accountability from all employees and contractors involved in tailings management are promoted.



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Sean Boyd

President and Chief Executive Officer



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Louise Grondin

Senior Vice-President Environment &  
Sustainable Development

December 15, 2014



# AGNICO EAGLE

## Agnico Eagle Mines Limited World Gold Council – Conflict Gold Standards Certification Report

### Executive Summary

All gold and gold-bearing materials produced by Agnico Eagle Mines Limited (“Agnico”) are in conformance with the World Gold Council’s Conflict-Free Gold Standard. The gold and gold-bearing materials produced by Agnico have been done so in a manner that does not cause, support or benefit unlawful armed conflict, or contribute to serious human rights abuses or breaches of international humanitarian law.

### Background

Agnico acknowledges that operating responsibly and maintaining the trust of our stakeholders requires us to demonstrate that the gold we produce has been extracted in a manner that does not fuel unlawful armed conflict or contribute to serious human rights abuses or breaches of international law. As such, Agnico has adopted and implemented the World Gold Council’s Conflict-Free Gold Standard. This Conflict-Free Gold Report summarises Agnico's conformance to the Standard. This is the third year in which Agnico has operated under its requirements.

This report covers all gold or gold-bearing materials dispatched by Agnico Eagle Mines Limited for the calendar year ended December 31, 2015 and has been assured by an independent assurance provider. This report will be updated annually, or as required by the Standard.

### Responsibility for Conformance

The Senior Vice-President of Environment, Sustainable Development and People, and the Vice-President Health, Safety and Community are directly responsible for corporate oversight and implementation of the Standard, and environment and community engagement. Both of these positions report to the Health, Safety, Environment and Sustainable Development Committee (“HSESDC”) of the Board of Directors.

<http://www.agnicoeagle.com/en/Sustainability/Pages/Governance.aspx>

Sustainability performance, which includes the Standard, is presented to the HSESDC of the Board of Directors at each quarterly Board meeting. The HSESDC charter can be found on the Agnico Eagle website.

## **Reporting boundary**

The reporting boundary of this Conflict-Free Gold Report includes all mining and processing operations that Agnico has direct control over. The report does not include exploration sites and projects under development that have not entered into commercial production.

## **Agnico Eagle Mines' evaluation**

For the purposes of the application of Part A of the Standard, Agnico reviewed the areas of operation and the location of our mines with reference to the Heidelberg Institute's Conflict Barometer, and the UN International and EU Sanctions. We concluded based on our assessment that Agnico Eagle's operations do not take place in regions that are subject to International Sanctions.

However, we operate three mines in Mexico: Pinos Altos and Creston Mascota, which are located in the state of Chihuahua, and La India, which is in the state of Sonora. The 2015 Heidelberg Conflict Barometer, which was reviewed in Q1 of 2016, indicates that at a national level, Mexico is classified at Level "5" ("War") and has been classified as such in 2014 and 2013.

At the subnational level, the maps published by the Institute show the states in which Agnico operates as being at Level "3" ("violent crisis"), except for Sonora which was at level 4 in 2013. Due to the threat associated with inter-cartel violence, which the Institute has classified as being at Level "4" ("limited War") for 2015, 2014 and 2013, affecting the states of Chihuahua and Sonora, we have assessed the risk for our operations at this higher level.

Applying the Standard's criteria, operations that are in an area ranked as 5 (war) or 4 (limited war) within the last two years of the Heidelberg Conflict Barometer have been classified as 'conflict-affected or high-risk' and must complete all remaining assessments in Parts B–E of the Standard. For operations not considered in a 'conflict-affected or high-risk' area and where the company does not transport gold while in the custody of the producer, the remaining assessments are D and E.

Based on the criteria we completed the assessments required by the Standards for the operations at Pinos Altos, Creston Mascota and La India under Parts B - E. For our operations in Canada, including the Canadian Malartic joint venture, and Finland, we completed the assessment requirements defined under sections D and E of the Standard.

## **Commitment to Human Rights**

Our Board of Directors has made it clear that Agnico will only do business in regions where human rights laws are respected and promoted. As a Canadian company, we maintain our commitment to the Canadian Charter of Rights and Freedoms while operating internationally, ensuring that all of our employees are treated with respect and dignity. We have our Sustainable Development Policy and have implemented a comprehensive series of programs of community involvement and relations including being recognized for the eighth consecutive year by the Chihuahuan business foundation "Fundación del Empresariado Chihuahuense A.C." with an award of distinction for being a "Socially Responsible Company". This distinction is granted by "El Centro Mexicano para la Filantropía (Cemefi) y la Alianza por la Responsabilidad Social Empresarial (AliaRSE)". Further information on this can be found at <http://www.cemefi.org/esr/>.

## **Corporate activities**

As part of our commitment to Human Rights and the communities in which we operate, we have established a function that is responsible for Community Relations for each of our mines. This function is responsible for monitoring, identifying and addressing significant issues with respect to its performance on human rights or alleged abuses of human rights or breaches of international humanitarian law within the area of our operations.

## **Security**

For the operations in Pinos Altos and Mascota, the security function is in-house. This approach provides us with control and flexibility over the hiring, retention and training of security personnel for these mines. Within our procedures we conduct background checks with relevant authorities and our own internal assessments to assure ourselves of the quality and conviction of individuals we consider to become part of the security function. All security personnel undergo comprehensive training that includes specific topics relating to Human Rights.

For La India, we have retained the services of an external contractor to provide high quality personnel under very specific criteria. Even though the security is conducted under contract, we do retain a measure of control in terms of the personnel assigned to the mine; we review background checks, validate experience and exclude individuals who had worked within police forces or governments. We also have visibility and input into the level and amount of training these individuals receive.

## **Payments and benefits-in-kind**

With reference to the disclosure of payments to governments, we are committed to the principles of transparency and accordingly fully committed to the requirements outlined under various initiatives to increase this. We reported all of our payments within our Sustainability Reporting in accordance with the GRI "Publish What You Pay" initiative for 2014 and will publish the same report for 2015, and implement new reporting requirements when introduced. The Sustainability Report can be found on our website under the SUSTAINABILITY heading.

## **Engagement, complaints and grievances**

Agnico Eagle has a whistleblower policy in place and has established a toll-free ethics hotline for anonymous reporting. Full details of the policy and the ethics hotline are posted on the company website under our Sustainability Governance report and Governance Ethics Hotline.

In addition to the "whistleblower" policy and hotline, Agnico has implemented more formal grievance mechanisms and processes at each of our mines; following the guidelines established in "A Practical Design and Implementation Guide for Site-Level Community Response Mechanisms in the Resource Development Industry." These guidelines, developed jointly by the Mining Association of Canada and the Office of the Extractive Sector CSR Counsellor for the Government of Canada, provide a mechanism to tailor the development of processes to the individual needs of the communities in which we operate. The Pinos Altos and Mascota mines were subjected to an external TSM audit; the report was issued in April, 2015.

## **Nature of Gold Production**

Most of the Pinos Altos ore is treated in a processing plant, with the lower grade ore being treated using heap-leaching methods. The process plant includes crushing, grinding, gravity concentration and agitated leaching followed by counter-current decantation. Gold is recovered using the Merrill-Crowe method. The Creston Mascota and La India ore is processed using heap-leaching methods for extraction from the ore; precious metals are recovered by carbon column circuits.

We maintain control over the extraction and transport of gold-bearing ore from the open pit and underground mines through the combination of the physical segregation of materials and the controls in place relating to access to the mine itself. The gold is processed and refined into doré on site at Pinos Altos, Creston Mascota and La India. This allows Agnico to retain full control of the entire process.

While awaiting transport, the doré is kept physically secure within the confines of the premises.

## **Control of gold at the operation**

We have established processes, procedures and controls at the Pinos Altos, Creston Mascota and La India mines that provide control over gold and gold bearing materials. These processes and procedures are designed to limit access to appropriate individuals responsible for the milling and refining of gold from the point of entry into the mill; define boundaries and access points to the mine and the processing plants, refineries and over shipments from the mines to the refineries.

We have engaged independent consultants to conduct regular reviews to evaluate the risk of loss or theft of gold and gold-bearing materials at all stages of the processing. Where recommendations are made to enhance security we take these into consideration and will implement them based on an evaluation of the associated cost and benefits.

## **Transport**

Our gold and gold-bearing materials are transported directly from our mines to the refinery by transport services under the direct control of the refinery itself. We have established procedures and controls over the weighing, assaying and transport of the doré that provide Agnico with a high degree of confidence in our ability to detect the loss or tampering of gold during transit to the refinery. This includes processes and procedures to reconcile between our records and those of the refinery.

## **Externally Sourced Gold**

Agnico Eagle complies with Part D – Externally Sourced Gold Assessment as we do not source gold from third parties. Additionally, the company has produced the appropriate Management Statement of Conformance which is sent to our refiners, the next participant in the chain of custody, as required in Part E.

## **Conclusion**

Based on our assessment of the procedures and systems in place, Agnico complies in all respects with the principles and requirements of the Standard as they relate to the control on-site and during processing as well as over the transport to the refineries of gold and gold-bearing materials at our Pinos Altos, Creston Mascota and La India operations.

## **Independent Assurance**

Agnico retained Ernst & Young (“EY”), an independent assurance provider, to assess its conformance with the Standard. Ernst & Young has conducted their assessment under the Standard in respect to the period from January 1 – December 31, 2015 and confirmed that the mines identified under Section A, the Pinos Altos, Creston Mascota and La India operations in Mexico are in conformance with the Standard. Ernst & Young’s statement is available on our website.

If users of this report wish to provide any feedback with respect to Agnico’s adherence to the Standard or this report they should contact Louise Grondin ([louise.grondin@agnicoeagle.com](mailto:louise.grondin@agnicoeagle.com)) at Agnico Eagle Mines Limited.

## **Appendix**

### **Management Statement of Conformance**

Agnico Eagle Mines Limited confirms, to the best of our knowledge, that all gold or gold-bearing material produced by the mining and processing operations over which Agnico has direct control are in conformance with the World Gold Council's Conflict-Free Gold Standard.

This Management Statement of Conformance is provided by Agnico as a requirement of the World Gold Council's Conflict-Free Gold Standard and in order to provide a good faith representation to the next participant in the chain of custody.

This Statement covers all gold or gold-bearing materials dispatched from the Pinos Altos, Creston Mascota and La India mines for the 2015 calendar year and will be updated annually, or as required by the Standard. It also covers those mines operating in Canada, including the Canadian Malartic joint venture, and Finland, which were initially assessed in terms of Section A.

The World Gold Council's Conflict-Free Gold Standard was implemented on January 1, 2013. This Statement of Conformance covers the period January 1 to December 31, 2015. Limited assurance verifying Agnico's adherence to the Standard has been completed; and Agnico's Conflict-Free Gold Report, which describes Agnico's conformance to the requirements of the Standard as well as the independent assurance report are posted on [www.agnicoeagle.com](http://www.agnicoeagle.com) under the SUSTAINABILITY section.



## Independent Limited Assurance Report

### To the Board of Directors and Management of Agnico Eagle Mines Limited

We have carried out a limited assurance engagement on Agnico Eagle Mines Limited's ("AEM") Conflict-Free Gold Report (the "Report") for the year ended 31 December, 2015.

#### Subject matter and criteria

The subject matter consists of the Report, which includes a summary of AEM's assessment procedures that have been designed and implemented at AEM's mine sites in accordance with the World Gold Council *Conflict-Free Gold Standard, 2012* ("the Standard").

The reporting boundary of the Report includes all operating mining and processing sites over which AEM has direct control as follows:

- ▶ Canadian Malartic, LaRonde, Goldex, Lapa and Meadowbank in Canada;
- ▶ Kittila in Finland; and
- ▶ La India, Pinos Altos and Creston Mascota in Mexico ("Operations").

#### AEM management responsibilities

The management of AEM is responsible for the preparation and presentation of the Report in accordance with the Standard. This responsibility includes establishing appropriate risk management and internal controls from which the reported information is derived. The criteria identified by management as relevant for demonstrating compliance with the Standard are the activities described within the Report.

#### Our responsibilities

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed. Our assurance engagement has been planned and performed in accordance with the International Standard on Assurance Engagements ISAE 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, and the guidance set out in the *Guidance for Assurance Providers* issued by the World Gold Council ("Audit Guidance").

Our procedures were designed to obtain a limited level of assurance on which to base our conclusions. The procedures conducted do not provide all the evidence that would

be required in a reasonable assurance engagement and, accordingly, we do not express a reasonable level of assurance. While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls and, accordingly, we express no conclusions thereon.

This report has been prepared for AEM for the purpose of assisting management in determining whether AEM's Operations have complied with the Standard and for no other purpose. Our assurance report is made solely to AEM in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than AEM for our work, or for the conclusions we have reached in the assurance report.

### **Limited assurance procedures performed**

We planned and performed our work to obtain all the evidence, information and explanations considered necessary in relation to the above scope. These procedures included:

- ▶ Enquiries of management to gain an understanding of AEM's processes, and risk management protocols in place.
- ▶ Enquiries of relevant staff at corporate and selected site level responsible for the preparation of the Report.
- ▶ Assessing the suitability of policies, procedures and internal controls that AEM has in place to conform with the Standard.
- ▶ Review of a selection of the supporting documentation.
- ▶ Test a selection of the underlying processes and controls which support the information in the Report.
- ▶ Review of the presentation of the Report to ensure consistency with our findings.

### **Inherent limitations**

Non-financial information, such as that included in the Report, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the subject matter and the methods used for determining such information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability.

The nature and methods used to determine such information, as well as the measurement criteria may change over time. It is important to read AEM's methodology described in the Report.

### **Independence and competency statement**

In conducting our engagement, we have complied with the applicable requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

In conducting our engagement, we confirm that we satisfy the criteria for assurance providers as set out in the Audit Guidance to carry out the assurance engagement.

### **Conclusion**

Based on the limited assurance procedures performed, as described above, we conclude that nothing has come to our attention that causes us to believe that AEM's Conflict-Free Gold Report, for year ended 31 December 2015, is not, in all material respects, fairly presented in conformance with the *Conflict-Free Gold Standard*.

The signature of Ernst & Young LLP is written in a cursive, handwritten style.

Chartered Accountants  
Licensed Public Accountants

Toronto, Canada  
April 15, 2016