



AGNICO EAGLE

2022 Plenary Report

Voluntary Principles on Security and Human Rights

AGNICO EAGLE MINES LIMITED

April 28, 2023

1. CONTEXT

Agnico Eagle Mines Limited (Agnico Eagle) adopted the Voluntary Principles on Security and Human Rights (VPSHR) in 2016 and became a formal member in 2017. Agnico Eagle is a proud founding participant of the Voluntary Principles Initiative (VPI). We recognize that development requires respect for human rights, and that respect for human rights prevents conflicts. The VPI was an opportunity for Agnico Eagle to reiterate its [core values](#).

Agnico Eagle is committed to implementing the VPSHR at all its mining operations over which the company has direct control and where personnel and security are present. This is particularly important in regions where it is challenging to provide responsible security for mining operations, including where local private or public security providers may need additional training to carry out their duties with respect for human rights, and where engagement of public officials is important to promote respect for human rights.

On February 8, 2022, Agnico Eagle Mines Limited and Kirkland Lake Gold Limited [announced](#) the successful completion of a merger of equals transaction with the combined company to continue under the name Agnico Eagle. A high-level gap analysis against the VPSHR was conducted at former Kirkland Lake Gold sites (Macassa, Detour Lake and Fosterville) in 2022. In 2023, a site-specific gap analysis will be conducted to establish an integration plan. The VPSHR implementation will be audited in the next integrated audits, scheduled for 2024-2025, to confirm all sites meet Agnico Eagle's commitments.

This report is Agnico Eagle's fifth Plenary Report as a member of the VPSHR. It details the actions taken in 2022 to comply with the VPSHR. In 2022, Agnico Eagle continued to actively promote the VPSHR internally. In the context of an important merger, Agnico Eagle continued to exchange learnings from each assessment across its sites to promote best practices in security and human rights.

Highlights of 2022 include:

- Assessment of potential security and human rights risks at the Meliadine Mine.
- VPSHR independent audit at the Meliadine Mine by EEM EHS Management inc.
- Review of the state of the VPSHR at Macassa, Detour Lake and Fosterville.
- Risk Management and Monitoring System (RMMS) document audit to identify gaps and potential gaps in the system's standards to the requirements of the VPSHR.
- Continuation of mandatory VPSHR training at Agnico Eagle's operating sites.

2. VOLUNTARY PRINCIPLES AT AGNICO EAGLE

A. Commitment to the Voluntary Principles

1. Public Statement of commitment or endorsement of the Voluntary Principles, engagement in the Voluntary Principles Initiative, and transparency

As stated in its Sustainability Report, Agnico Eagle conducts business in regions where human rights laws are respected and promoted and is committed to upholding fundamental human rights as defined in the United Nations *Universal Declaration of Human Rights*. This includes providing assurance that its operations will not support, benefit, or contribute to unlawful armed conflict, human rights abuses, or breaches of international humanitarian law. The

Company believes everyone has the right to a life free from modern slavery and condemns all forms of severe exploitation for personal or commercial gain. Agnico Eagle does not tolerate the use of child labour, prison labour, or any form of forced labour, slavery, or servitude.

As a Canadian company, Agnico Eagle also maintains its commitment to the *Canadian Charter of Rights and Freedoms* while operating internationally, ensuring all its employees are treated with respect and dignity and business operations are undertaken in a manner that ensures respect for human rights and fundamental freedoms. In addition, Agnico Eagle has adopted and implemented the World Gold Council's *Conflict Free Gold Standard* to provide assurance that gold and gold-bearing materials are produced by Agnico Eagle 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 understands that environmental, social and governance (ESG) considerations are an opportunity to drive improved performance and deliver on Agnico Eagle's vision to build a high-quality, low-risk and sustainable business. To ensure that we meet these objectives, sustainability is integrated at the Board, executive, and operational levels. Our governance structure creates clear lines of accountability, flexibility to adapt to unforeseen circumstances, and ensures sustainable practices are considered in all aspects of the business:

- At the Board level, sustainable development matters are presented to the Health, Safety, Environment and Sustainable Development (HSESD) Committee at each quarterly Board meeting.
- At the executive level, corporate oversight and implementation of the sustainable development program are the direct responsibility of the Executive Vice-President, Operational Excellence and the Corporate Sustainability team.
- At the operational level, governance is in place to ensure that sustainable development matters, along with risk assessment and mitigation measures, are integrated into the day-to-day management of the business.

Governance details on the Sustainability Management Structure are available [here](#).

As a member of the Mining Association of Canada (MAC), Agnico Eagle has committed to implementing a human rights and security approach consistent with the VPSHR and based on risk levels at the mining facilities it operates. This commitment is outlined in MAC's Progress Report ([Agnico Eagle – MAC Progress report](#)). Agnico Eagle also publicly commits to adhere to the VPSHR in its *Sustainable Development Report*, available on its Website ([Agnico Eagle - Sustainable Development Report](#)). The VPSHR are a pillar of Agnico Eagle's health, safety, environment, and community management system: the RMMS (Risk Management and Monitoring System).

2. Example of promoting awareness of the Voluntary Principles throughout the organization or government, including within the value chain

Agnico Eagle is a member of the Canada Working Group on the Voluntary Principles, comprised of companies, nongovernmental organizations (NGOs) and government. Members share lessons learned with one another regarding what has and has not worked with VPSHR implementation and their experiences. They also discuss the current and upcoming work of the VPI. In 2022, Agnico Eagle continued to participate in VPSHR-related meetings and conference calls with member companies and governments by attending the annual plenary meeting and seven presentation calls on VPSHR implementation.

Potential threats to human rights are considered at all Agnico Eagle's sites where the RMMS is implemented, and results are integrated into operating practices to operationalize the

VPSHR. At site level, Agnico Eagle continued to communicate the importance of complying with the VPSHR to all employees and subcontractors by implementing a new mandatory induction training that includes an introduction to the VPSHR.

The security departments continue to be actively engaged in communicating the importance of complying with the VPSHR to local private security guards and public security at Agnico Eagle's Mexican sites.

3. Example of promoting and advancing implementation of the Voluntary Principles internationally

Agnico Eagle is transparent in its commitment to advancing the VPSHR. The Company promotes the principles in the dealings with government, NGOs, financial agencies and within the mining industry. Agnico Eagle is engaged in implementing the VPSHR and its RMMS at all new operations internationally within a 3-year implementation period.

B. Policies, Procedures, and Related Activities

4. Relevant policies, procedures, and/or guidelines (or any changes thereto from the previous reporting year) to implement the Voluntary Principles

As stated in its [Sustainable Development Policy](#), Agnico Eagle commits to upholding fundamental human rights as defined in the *United Nations Universal Declaration of Human Rights*. This includes providing assurance that its operations will not support, benefit, or contribute to unlawful armed conflict, serious human rights abuses, or breaches of international humanitarian law. The VPSHR have been integrated throughout Agnico Eagle's business processes. The VPSHR tie together many of the elements within the RMMS. Agnico Eagle has adapted its RMMS to support its operations to continuously improve performance and ensure they meet compliance requirements and industry standards related to health, safety, environment and community relations (e.g., *Conflict Free Gold Standard*, *Towards Sustainable Mining Initiative*, *International Cyanide Management Code*, VPSHR). Agnico Eagle is committed to ensuring that security aspects of its activities align with the VPSHR.

All Agnico Eagle sites must adopt and comply with corporate policies and procedures, but sites have autonomy to go beyond and implement additional policies relevant to their operating context. No significant changes were made to Agnico Eagle's security and human rights-related policies and procedures in 2022.

5. Company procedure to conduct security and human rights risk assessments and integrate findings

Agnico Eagle has a set of severity of consequence criteria specific to human rights and security that sites must use to assess security and human rights risks. Each site must complete a risk assessment in accordance with the RMMS comprehensive risk identification system and analysis methodology. This ensures human rights are factored into the decision-making process. Security and human rights risks identified are managed through the RMMS to meet Agnico Eagle's commitments. Agnico Eagle has an integrated audit protocol that includes official VPSHR guidance documents. External audits were conducted at six (6) sites in 2021. Meliadine was audited in 2022. No major gaps to the VPSHR application were identified during these audits.

6. Company procedure or mechanism to report security-related incidents with human rights implications by public/private security forces relating to the Company's activities

Agnico Eagle's *Sustainable Development Policy* commits to "Provide a confidential complaint reporting mechanism to confidentially report unethical, illegal or irresponsible behaviour". A Confidential Anonymous Complaint Reporting Hotline and a web-based system are in place (<http://agnicoeagle.ethicspoint.com>) to record all incidents that meet these criteria, following Agnico Eagle's [Confidential Anonymous Complaint Reporting Policy](#).

In 2022, a total of 15 allegations were reported through this process. These allegations were all reviewed and addressed; four (4) were investigated with disciplinary actions taken. These four (4) cases were reported to the audit committee, which reports to the Board of Directors. The investigations concerned Agnico Eagle's Code of Business Conduct and Ethics (2), harassment or sexual misconduct (1) and supplier not respecting the Supplier Code of Conduct (1).

Agnico Eagle sites also have formal local community grievance processes in place to report and respond to community and stakeholder complaints and incidents, including those related to security and human rights.

7. Company procedure to consider the Voluntary Principles when entering into relations with private security providers

Agnico Eagle employs both external (private security contractors) and internal security personnel at its operations. For internal security personnel, background checks with relevant authorities are conducted as well as internal assessments to ensure quality and attitude of individuals hired for the security function. For external security personnel, Agnico Eagle requires that the contractor provide the site with a list of candidates one week in advance of assigning them to site so that the site may check their backgrounds and their training to ensure they comply with the site's policies and procedures and with international law enforcement principles, and to outline training requirements related to human rights and the use of force. All security personnel undergo comprehensive training that includes specific topics relating to human rights and the VPSHR.

All security personnel and security contractors must follow Agnico Eagle's [Code of Business Conduct and Ethics](#) and [Supplier Code of Conduct](#), respectively.

8. Company procedure or mechanism to investigate and remediate security-related incidents with human rights implications by public/private security forces relating to the company's activities

Security and/or human rights-related incidents are assessed, investigated and remedial actions taken in accordance with Agnico Eagle's RMMS. Incidents are registered through on-site incident reporting processes or through the community grievance mechanism for external incidents.

C. Promotion/Implementation

9. Overview of country operations selected for reporting year

This report covers:

- Meliadine Mine (Canada) – audited in 2022 to review progress on meeting the VPSHR.
- The following sites, audited in 2021 – a documentation review was conducted in 2022 to ensure there have been no changes since the last review.
 - Head Office (Canada)
 - Goldex Mine (Canada)
 - Kittilä Mine (Finland)
 - La India Mine (Mexico)
 - LaRonde Complex (Canada)
 - Meadowbank Complex (Canada)
 - Pinos Altos Mine (Mexico)
- Review of the state of the VPSHR at Macassa, Detour Lake and Fosterville.
- Follow up with exploration teams regarding VPSHR continuous training and improvement.

10. Engagement with stakeholders on country implementation

Agnico Eagle works to promote the VPSHR with other companies and government bodies in the jurisdictions in which it operates. Agnico Eagle continues to actively engage to educate on human rights-related issues. With the addition of the VPSHR to Agnico Eagle's RMMS, human and labour rights are part of the stakeholder engagement approach at Agnico Eagle's sites.

11. Voluntary Principles considerations in the selection of private security providers and formulation of contractual agreements with private security providers, as well as arrangement with public security forces

Security at the Canadian, Australian and Finnish sites is not armed and operates in countries where human rights are embedded in applicable legislation and where the risks to human rights are very low.

As per Mexican law, Agnico Eagle is not permitted to contract police to provide security to the mine sites. The sites maintain open communication with both the state police and the army (Secretariat of National Defense (SEDENA)) who frequently patrol the community roads around the mine sites and mine access roads. Pinos Altos and La India mines have a contract with SISPS to provide armed security guards to the sites for physical security. The contract includes compliance with the VPSHR such as screening of security guards, completion of use of force and human rights training, and compliance with national and international human rights laws.

12. Examples of supporting outreach, education and/or training of relevant personnel, private security, public security, and/or civil society

At the sites in Canada, Australia and Finland, all in-house and private security contractors receive an induction training introducing them to the VPSHR and Agnico Eagle's commitments. In 2022, training of security forces occurred at Detour Lake, exploration sites in Mexico and Colombia, Hope Bay, Kittilä, La India, Macassa, Meadowbank, Meliadine and Pinos Altos. At Pinos Altos, local police representatives are invited to attend the training.

13. Company procedure to review progress on implementing the Voluntary Principles at local facilities

In 2021, Agnico Eagle established an audit program to provide an independent assessment on compliance to the VPSHR. For sites where the VPSHR implementation was assessed at a satisfactory level, and no allegations of security-related human rights violations were reported, a yearly documentation review is conducted.

D. Lessons and Issues

14. Lessons or issues from this reporting year, as well as plans or opportunities to advance the Voluntary Principles for the organization

Agnico Eagle is committed to strengthen VPSHR implementation in its operations, development properties and at its closed sites. Agnico Eagle will review opportunities for improvement and implement corrective actions to continue improving VPSHR awareness of external stakeholders, including those from its supply chain. Agnico Eagle has conducted a gap analysis between its RMMS and the VPSHR to ensure the RMMS explicitly addresses all VPSHR requirements and covers practices ongoing at Agnico Eagle's sites. In 2023, Agnico Eagle will initiate the update of its RMMS to better align it with Agnico Eagle's governance structure and the new context of operations following the merger with Kirkland Lake Gold. In addition, Agnico Eagle will begin implementing the RMMS and its process at Macassa and Detour Lake in Canada and at Fosterville in Australia.