



**AGNICO EAGLE**

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2023 Plenary Report

Voluntary Principles on Security and Human Rights

AGNICO EAGLE MINES LIMITED

April 29, 2024

## 1. CONTEXT

Agnico Eagle Mines Limited (Agnico Eagle or the Company) 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 is an opportunity for Agnico Eagle to reiterate its [core values](#).

Agnico Eagle is committed to implementing the VPSHR at all mining operations over which the Company has direct control<sup>1</sup> 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.

This report is Agnico Eagle's sixth Plenary Report as a member of the VPSHR. It details the actions taken in 2023 to comply with the VPSHR. In 2023, Agnico Eagle continued to actively promote the VPSHR internally through implementation of best practices in security and human rights.

Highlights of 2023 include:

- Assessment of potential security and human rights risks at the Detour Lake, Macassa and Fosterville Mines, as well as the Hope Bay Project and the Canadian Malartic Complex
- Review of the state of the VPSHR at the Canadian Malartic Complex
- Continuation of mandatory VPSHR training at Agnico Eagle's operating sites, including training of management teams
- Alignment to meet the reporting requirements of Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act*<sup>2</sup>

## 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.

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<sup>1</sup> The acquisition by Agnico Eagle of Yamana Gold Inc.'s Canadian assets on March 31, 2023 resulted in the Company owning 100% of the Canadian Malartic Complex. A high-level gap analysis against the VPSHR was conducted at Canadian Malartic in 2023. Training and complete implementation of the VPSHR are planned to be completed at this site in 2024.

<sup>2</sup> Agnico Eagle was already complying with Australia's *Modern Slavery Act 2018*.

Agnico Eagle also maintains its commitment to its Code of Business Conduct and Ethics, 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 strategy to build a growing, high-quality, low risk, 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 sustainability practices are considered in all aspects of the business. Governance details on the Sustainability Management Structure are available [here](#):

- 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, Sustainability, People & Culture 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.

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 *Sustainability 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 Risk Management and Monitoring System (the "RMMS").

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

Agnico Eagle is a member of the VPI Corporate Pillar. In 2023, Agnico Eagle continued to participate in VPSHR-related activities by attending six presentation calls.

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 through mandatory induction training that includes an introduction to the VPSHR. In 2023, training was also developed specifically for management teams in order to offer introduction and refreshers to the VPSHR.

Security departments meet every quarter and the VPSHR are discussed, ensuring awareness and continuous training. Security departments also 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.

Agnico Eagle's supply chain group is currently working on strengthening due diligence mechanisms to ensure the Company's values and commitments towards human rights are also covered by our business partners. In this regard, Agnico Eagle revised its Supplier Code of Conduct in 2023 to add reference to the Canadian *Fighting Against Forced Labour and Child Labour in Supply Chains Act* and other applicable legislation.

### **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., *Responsible Gold Mining Principles*, *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.

In 2023, the Company's Supplier Code of Conduct was updated to strengthen the language prohibiting forced labour and child labour, confirming that suppliers must not use or employ anyone under the age of 15 years old, and requiring suppliers to take measures in their own operations to assess, prevent and reduce the risk that forced labour and child labour is used by them or by a third party in their supply chains. Changes to the Supplier Code of Conduct also clarified expectations regarding training with reference to the Code, specifying that suppliers must provide appropriate training to their employees and their own suppliers (if applicable), to ensure they are practicing the principles discussed in the Code. Agnico Eagle reserves the right to require that a supplier and its employees undertake, from time to time, relevant training through Agnico Eagle on the Code's principles.

### **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. No external audit was completed in 2023, but all sites updated their self-assessment against the VPSHR and no significant gaps were identified. In 2023, the Company's focus was on further awareness building and continuous training.

**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 2023, Agnico Eagle received 11 reports through the whistleblower hotline: 6 of the reports were in relation to Human Resources related matters, 2 reports were procurement related, 2 reports were health and safety related and 1 report was related to the Company's Workplace Discrimination, Harassment & Violence Policy. Each of these cases were reviewed and evaluated and 1 resulted in disciplinary action.

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 documented, assessed, investigated and remedial actions taken in accordance with Agnico Eagle's RMMS procedures. Incidents are registered through on-site incident reporting processes or through the community grievance mechanism or confidential anonymous complaint reporting process for external incidents.

## **C. Promotion/Implementation**

### **9. Overview of country operations selected for reporting year**

This report covers all Agnico Eagle operating sites:

- LaRonde Complex (Canada)
- Goldex Complex (Canada)
- Canadian Malartic Complex (Canada) – VPSHR under implementation
- Detour Lake Mine (Canada) – VPSHR under implementation
- Macassa Mine (Canada) – VPSHR under implementation
- Meadowbank Complex (Canada)
- Meliadine Mine (Canada)
- Kittilä Mine (Finland)
- Fosterville Mine (Australia) – VPSHR under implementation
- Pinos Altos Mine (Mexico)
- La India Mine (Mexico)

The VPSHR are also implemented at the Company's Corporate Office (Canada) and followed by exploration and closure teams. While Agnico Eagle applies the VPSHR in all jurisdictions, more awareness-building, training and auditing effort is directed to the Company's Mexican operations given the jurisdictional context.

### **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 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. The Pinos Altos and La India mines have a contract with SISPS<sup>3</sup> 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.

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<sup>3</sup> Servicio Integral de Seguridad Privada de Sonora.

**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 induction training introducing them to the VPSHR and Agnico Eagle's commitments. In 2023, training of security forces occurred at Detour Lake, Hope Bay, Kittilä, La India, Macassa, Meadowbank, Meliadine and Pinos Altos as well as exploration sites in Mexico and Colombia. At Pinos Altos, local police representatives are invited to attend the training. A total of 18 external Mexican public security service officers were trained to the VPSHR in 2023 with support from the Sonoran State Human Rights Commission.

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

Progress in the implementation of the VPSHR is reviewed on a yearly basis through a self-assessment tool. Sites review and report their progress through that tool, and reporting is done by the Company's Corporate team.

Implementation action plans, when developed, are followed through Agnico Eagle's RMMS. VPSHR training is imbedded within the RMMS, which ensures proper follow up. VPSHR compliance is also included in Agnico Eagle's external integrated audit (to be done in 2024-2025), which will include an external assurance of Agnico Eagle's VPSHR implementation status.

**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**

In 2023, Agnico Eagle continued training and awareness campaigns on the VPSHR. Comments received from the security teams highlighted a need for training that would be more adapted to our operations context. The Company is working with Avanzar to develop training programs on subjects such as Modern Slavery, Harassment and Discrimination, and Conflict Management and De-escalation. These training programs are expected to be initiated starting in 2024.