# SUSTAINABILITY SESSION



**AUGUST 16, 2018**

Agnico Eagle Mines Limited

AGNICO EAGLE

## FORWARD-LOOKING STATEMENTS

The information in this presentation has been prepared as at August 16, 2018. Certain statements contained in this presentation 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 presentation, the words "anticipate", "could", "estimate", "expect", "forecast", "future", "plan", "potential", "will" and similar expressions are intended to identify forward-looking statements. Such statements include, without limitation: the Company's plans with respect to environmental, social and governance matters; the Company's forward-looking production guidance, including project timelines, drilling results, metal production, life of mine estimates, expenses and cash flows; statements concerning the Company's plans to build operations at Meliadine, Amaruq, LaRonde Zone 5 and the Company's expansion plans at Kittila, including the timing and funding thereof and production therefrom; statements concerning other expansion projects, recovery rates, mill throughput, optimization and projected exploration expenditures, including costs and other estimates upon which such projections are based; statements regarding timing and amounts of capital expenditures and other assumptions; estimates of future mineral production, optimization efforts and sales; 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; statements regarding the Company's ability to obtain the necessary permits and authorizations in connection with its exploration, development and mining operations and the anticipated timing thereof; and the anticipated timing of events with respect to the Company's mine sites. Such statements reflect the Company's views as at the date of this presentation and are subject to certain risks, uncertainties and assumptions, and undue reliance should not be placed on such statements. 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, 2017 filed with Canadian securities regulators and that are included in its Annual Report on Form 40-F for the year ended December 31, 2017 ("Form 40-F") filed with the U.S. Securities and Exchange Commission (the "SEC") as well as: that there are no significant disruptions affecting operations; that production, permitting, development and expansion at each of Agnico Eagle's properties proceeds on a basis consistent with current expectations and plans; that the relevant metal prices, foreign 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. 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 development, capital expenditures and other costs; foreign exchange rate fluctuations; financing of additional capital requirements; cost of exploration and development programs; mining risks; community protests, including by First Nations groups; risks associated with foreign operations; the unfavorable outcome of litigation involving the Canadian Malartic General Partnership; 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 presentation, see the AIF and MD&A filed on SEDAR at www.sedar.com and included in the Form 40-F filed on EDGAR at www.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.

**Currency**

All amounts in this presentation are expressed in U.S. dollars except as otherwise noted.

# Agenda

**1. INTRODUCTION**

Sean Boyd, CEO

**2. SUSTAINABILITY UPDATE**

Louise Grondin, SVP Environment, Sustainable Development and People

**3. NORTHERN BUSINESS SUSTAINABILITY**

– **Abitibi**
Christian Provencher, VP Canada

– **Nunavut**
Martin Plante, General Manager Meliadine

– **Finland**
Jani Losonen, VP Europe

**4. SOUTHERN BUSINESS UNIT SUSTAINABILITY**

– **Mexico**
Luis Felipe Medina, VP Mexico

**5. Q&A**



# INTRODUCTION



**SEAN BOYD**

Chief Executive Officer

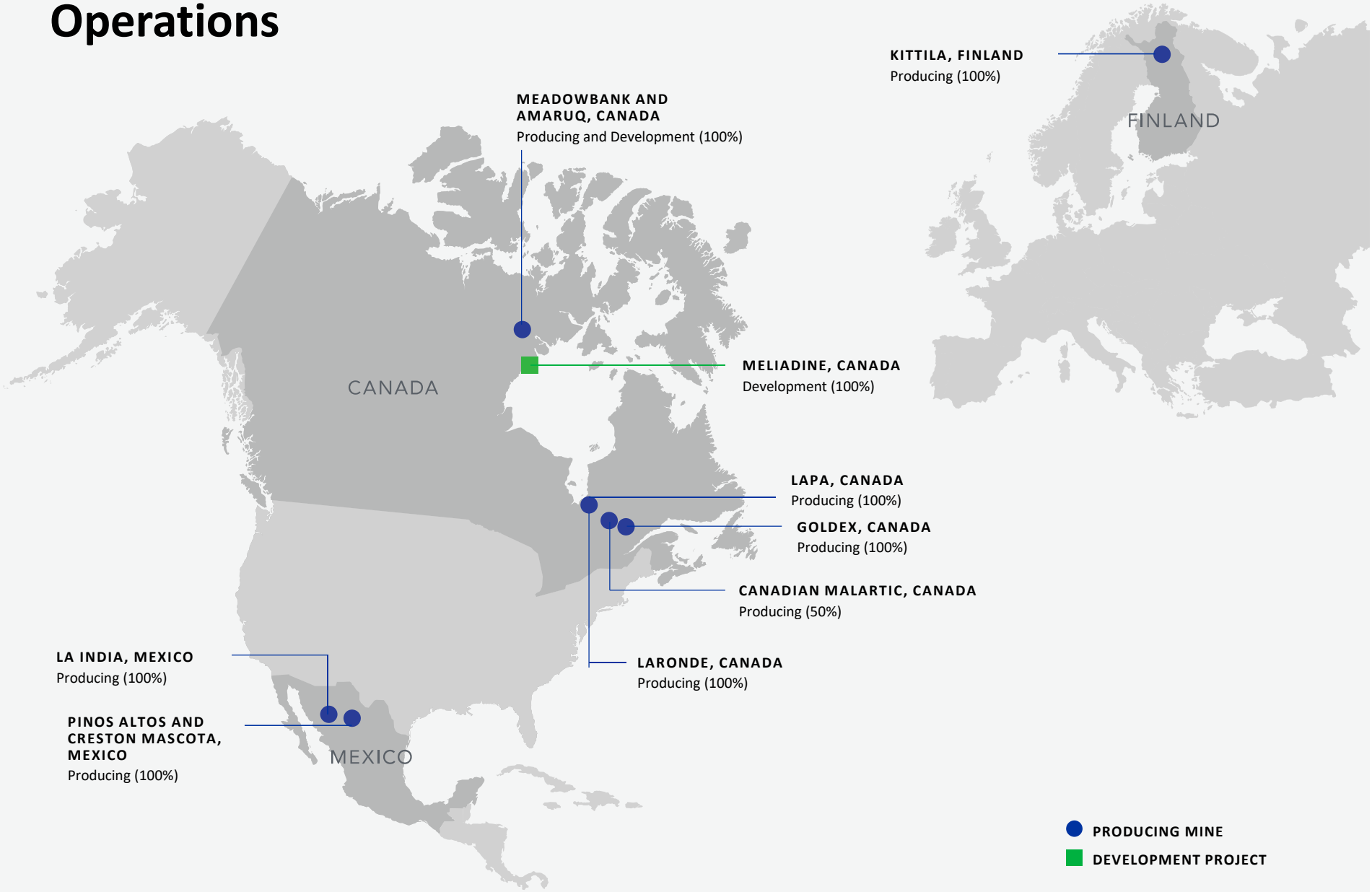
# Our Mission

Agnico Eagle's mission is to build a high quality, easy to understand business – one that generates superior long-term returns for our shareholders, creates a great place to work for our employees, and contributes positively to the communities in which we operate.





# Operations


KITTILA, FINLAND
Producing (100%)
FINLAND
MEADOWBANK AND AMARUQ, CANADA
Producing and Development (100%)
CANADA
MELIADINE, CANADA
Development (100%)
LAPA, CANADA
Producing (100%)
GOLDEX, CANADA
Producing (100%)
CANADIAN MALARTIC, CANADA
Producing (50%)
LARONDE, CANADA
Producing (100%)
LA INDIA, MEXICO
Producing (100%)
PINOS ALTOS AND CRESTON MASCOTA, MEXICO
Producing (100%)
MEXICO
PRODUCING MINE
DEVELOPMENT PROJECT

# SUSTAINABILITY UPDATE



**LOUISE GRONDIN**

SVP Environment, Sustainable Development and People

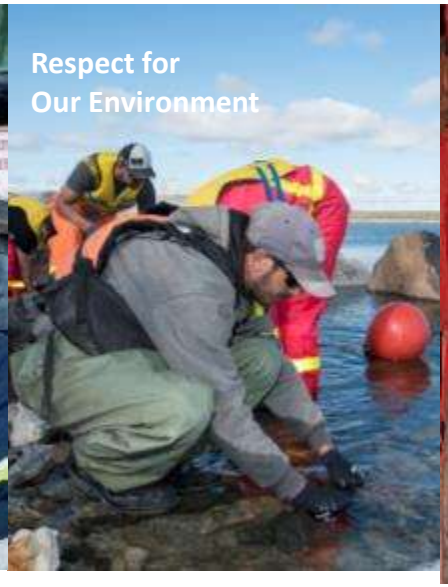
# Our Approach to Sustainable Development

AGNICO EAGLE

**OUR COMMITMENTS**

- Operate safely
- Act in an environmentally responsible manner
- Contribute to the prosperity of our stakeholders: shareholders, employees, their families and the communities
- Respect human rights, culture, customs and values









# Business and Sustainability

AGNICO EAGLE

**AN INTEGRAL PART OF A GOOD BUSINESS**

- To reduce and manage risk
- To protect value
- To create opportunities
- To align our practices with shareholders' expectations



**Performance**



**Pipeline**



**People**

# Fundamental Principles to Sustainable Development

AGNICO EAGLE

## Work Safely

**Our objective is for zero harm. We believe that if we all work together, we can achieve a zero accident record**

- Identify, prevent, eliminate or mitigate risks
- Provide appropriate training for all employees and contractors, at all stages
- Promote overall health and wellness and establish programs to protect them



## Environmental Protection

**Our goal is to minimize the impact of our operations on the environment and to preserve its viability and diversity**

- Minimize risks associated with managing tailings, water and waste rock
- Implement measures to reduce our greenhouse gas emissions
- Integrate biodiversity conservation
- Rehabilitate sites to ensure long term physical and chemical stability



## Respect of Our Employees

**Our goal is to maintain a safe and healthy workplace where all people interact in a spirit of collaboration, commitment and excellence**

Our values

- Trust
- Respect
- Equality
- Responsibility
- Family



## Respecting Our Communities

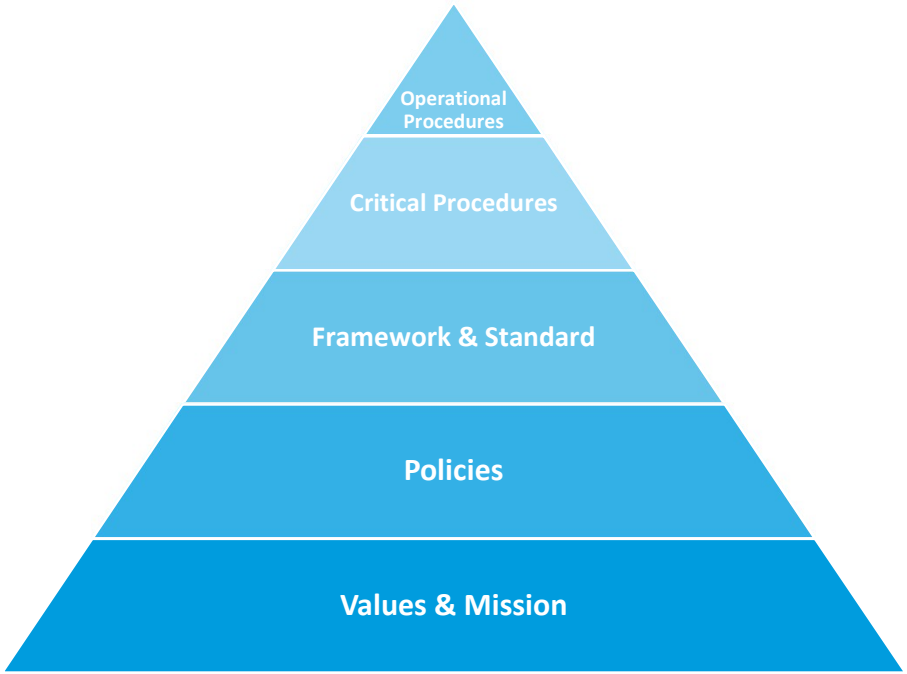
**Our objective is to contribute to the sustainable social and economic development of the communities associated with our activities**

- Stakeholder engagement plans
- Liaison Committees
- Proactive communications management
  Local purchasing policy
- Community investment program
- Hire locally

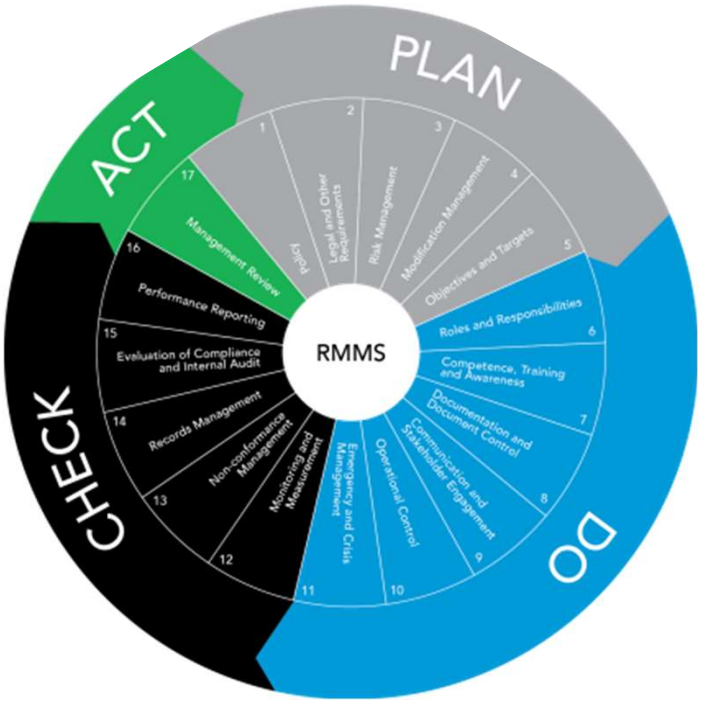


# Our Approach to Sustainable Development

An integrated and systematic management of health, safety, environment and social acceptability risks




**AGNICO EAGLE**
**RESPONSIBLE MINING MANAGEMENT SYSTEM**




IMPLEMENTED FROM EXPLORATION TO CLOSURE

# Our Approach to Sustainable Development

AGNICO EAGLE

**APPLICATION OF MINING ASSOCIATION OF CANADA TOWARDS SUSTAINABLE MINING INITIATIVE**

The Mining Association of Canada | L'association minière du Canada

Towards Sustainable Mining® (TSM®) is an award-winning performance management system that helps mining companies evaluate and manage their environmental and social risks

Towards Sustainable Mining
Vers le développement minier durable

- Condition of MAC membership
- Must demonstrate measurable continual sustainability improvement
- Third-party verification every 3 years
- Open and transparent: Mining companies publicly report their performance against the TSM indicators

# 2017:
# Achievements & Awards

AGNICO EAGLE

## Health & Safety

- In 2017, Agnico Eagle achieved a record low with a combined lost-time and restricted work frequency of 0.91
- Our best performances came from the La India and Lapa mines, both achieving a perfect score with a combined accident frequency of zero. Our Pinos Altos/ Creston Mascota mine also had a very good combined accident frequency of 0.18
- Both Canadian Malartic and Lapa mines received the QMA's F.J O'Connell safety award (2nd time for Lapa)
- Lapa mine received CIM's John T Ryan regional safety award



## Environment

- Canadian Malartic was ranked 17th overall in the Top 40 Most Future Responsible Canadian Corporate Leaders for 2018 by Corporate Knights Magazine for their transparency and good practices.
- Canadian Malartic was awarded the Groundwater Quality Award several organizations in the Abitibi-Témiscamingue for its commitment to conducting analysis of the domestic wells within a radius of about 7 kilometers around the mine
- Pinos Altos and Creston Mascota obtained their fourth certification under the Industria Limpia-Clean Industry designation of the Mexican environmental authority, PROFEPA



## People

- Agnico Eagle Mexico was recognized in the "Great Place to Work" program for the northwest Mexico region for the 7th time
- Three internal employee recognition awards annually:
  - Paul Penna Award recognizes social contribution
  - Michel Letourneau Award to recognize innovation and team work
  - Larry Connell award to recognize collaboration



## Communities

- Agnico Eagle Mexico received the Corporate Social Responsibility "ESR" recognition for the 10th consecutive year
- Local procurement of goods and services represented 65% of all procurement spending
- Agnico Eagle Nunavut renewed its Meadowbank Inuit Impact Benefit Agreement (IIBA), updated the Meliadine IIBA and signed a new IIBA for the Whale Tail project



# Performance: Environment

### TOTAL GHG EMISSION INTENSITY IN 2017

- 414,654 tonnes of $CO_2$ eq.
- 4% increase in intensity (more tonnage, longer haul distance)

### FRESH WATER USE INTENSITY IN 2017

- 6.4 million $m^3$ fresh water withdrawal
- 6% increase in intensity (increased area of heap leach and Kittila freshwater permit increase)

**32%**

Decrease in average GHG emission intensity in last 5 years

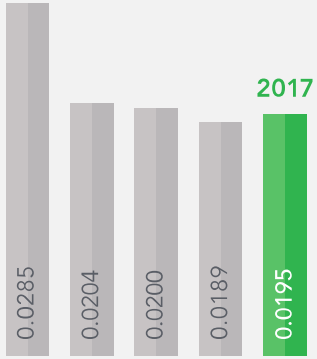
**30%**

Decrease in fresh water use intensity over 5 years



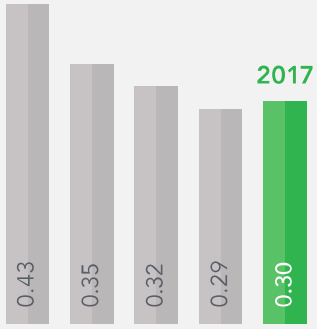
### TOTAL GHG EMISSION INTENSITY

($CO_2$ equivalent per tonne of ore processed)




### FRESH WATER USE INTENSITY

($m^3$ of water per tonne of ore processed)



# Performance: Health and Safety

- Record safety performance – Accident frequency of 0.91 :less than half the 1.9 frequency for the Quebec Mining Industry as a whole in 2017 (APSM data)
- Highest number of hours worked in history at **18,110,348**

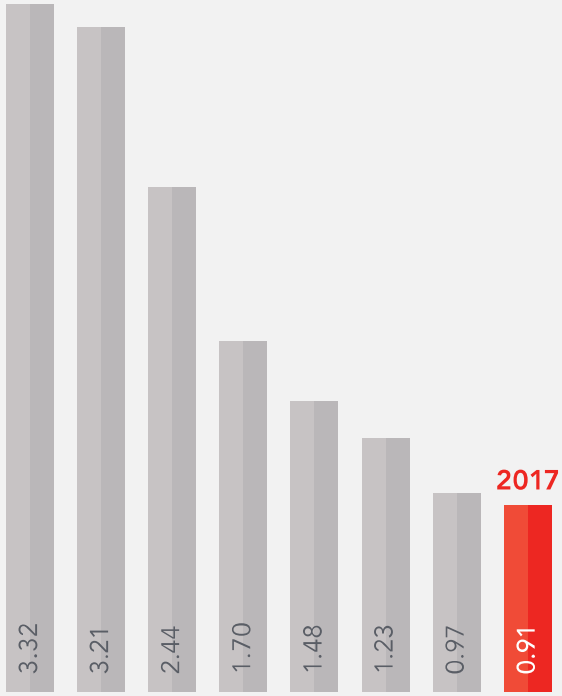
73%

Reduction over 8 years in combined lost-time and restricted work frequency



**COMBINED LOST TIME AND RESTRICTED WORK FREQUENCY***

(per 200,000 person hours worked)




*Does not include Canadian Malartic mine

# Performance: Community

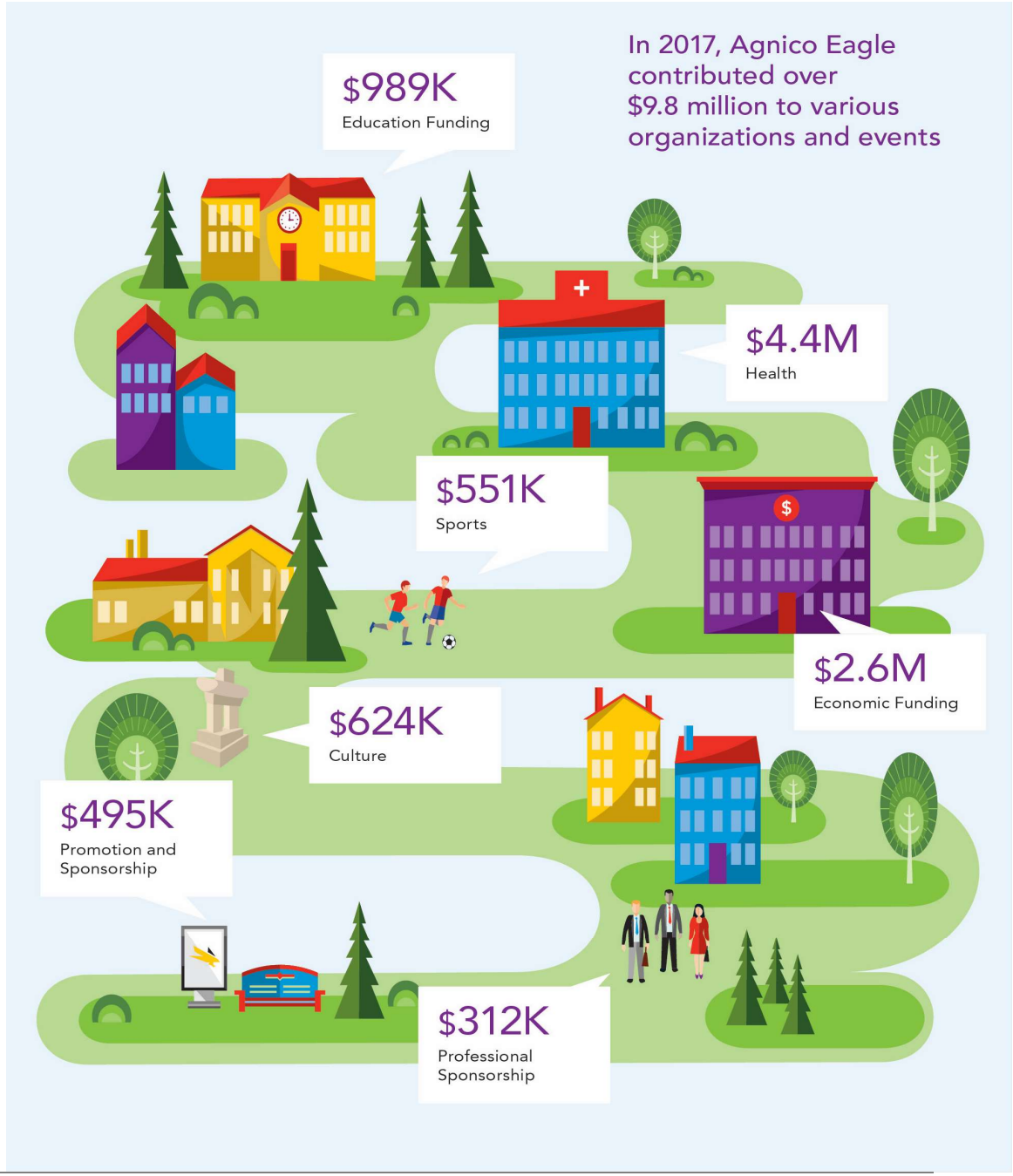
**COMMUNITY INVESTMENT**

- Listening to community needs
- When possible, partner with government or municipal agencies

**PROGRAMS FOCUSED ON:**

- Environmental protection
- Education
- Health
- Culture





# Performance: Community

AGNICO EAGLE

**PRINCESS MARGARET**

Agnico Eagle is a longtime supporter of the Princess Margaret Cancer Foundation (PMCF)

Our relationship with the PMCF stretches back almost 21 years




**ST. MICHAEL'S HOSPITAL**

Agnico Eagle recently donated over $4 million to the St. Michael's Foundation

The funds will be used to create the Agnico Eagle Cardiac Surgery Operating Room and the Agnico Eagle Oncology Unit at St. Mikes'






# Performance: People

### MAXIMIZING LOCAL EMPLOYMENT

- Our goal is to hire 100% of our workforce locally

**5,380**
Agnico employees worldwide in 2017

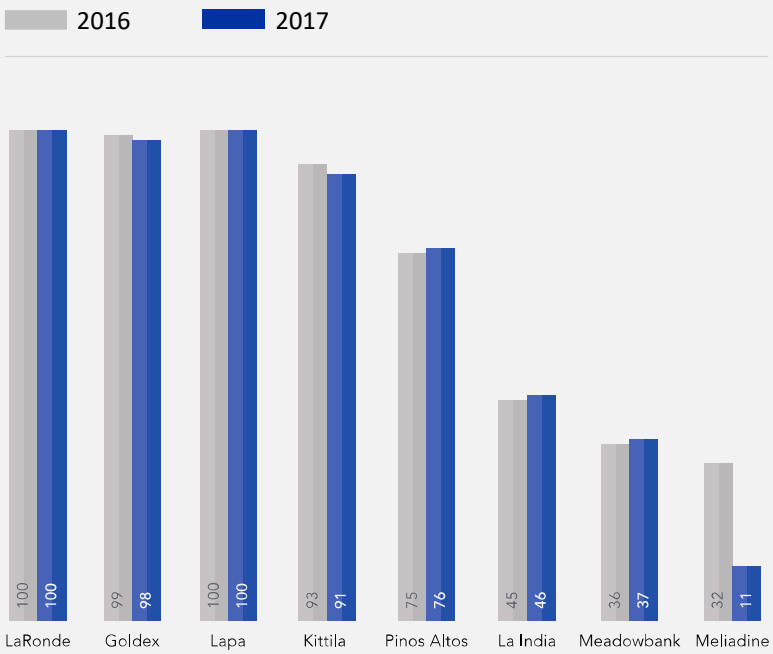
**15%**
Of our employees were female in 2017

**2,487**
Contractors in 2017

All numbers exclude Canadian Malartic



### (%) WORKFORCE HIRED FROM THE LOCAL COMMUNITY*




*Does not include Canadian Malartic mine

# Our Employee's Engagement



**2017 EMPLOYEE SURVEY IN CANADA AND FINLAND**

- **90%** of employees completed the survey
  - compared to 86% in 2014

Other highlights include:

- Engagement levels in 2017 increased to **85%**
  - compared to 81% in 2014

- Employee confidence levels in 2017 that management will act upon the survey results increased to **77%**
  - compared to 71% in 2014

Employees gave us high marks for:

| | |
|---|---|
| Community impact | 93% |
| Social Responsibility | 90% |
| Commitment to employee health and safety | 83% |
| Management leadership and direction | 82% |
| Employee satisfaction and commitment | 82% |

# Our Employee's Engagement



### AGNICO EAGLE MEXICO - A GREAT PLACE TO WORK

The 2017 survey results ranked Agnico Eagle Mexico in the top 50 Great Place to Work® companies in Mexico for employers with between 500 and 5,000 employees

In 2017, **95%** of employees completed the survey

- compared to 90% in 2016

Top highlights included:

- 13% improvement in employee engagement scores over the past five years
- 12% improvement in workplace collaboration over the same period

Other key highlights included:

| | |
|---|---|
| Agnico Eagle Mexico is a great place to work | 94% |
| Employee engagement levels<br>(Top 10 of Mexican companies) | 92% |
| Employee satisfaction with workplace collaboration<br>(Top 100 of Mexican companies ) | 78% |
| Employees gave leadership high marks for nurturing trust with employees | 82% |

# Governance Practices

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

- Code of Business Conduct and Ethics
- Anti-corruption, Anti-bribery Policy
- Whistle Blower Hotline
- Suppliers Code of Conduct
- Sustainable Development Policy
- Indigenous Peoples Engagement Policy
- UN Voluntary Principles for Security and Human Rights



# Governance
# Disclosure & Oversight

**DISCLOSURE**

- **Annual Reporting:**
  - Carbon Disclosure Project
  - Global Reporting Initiative
  - Towards Sustainable Mining
  - Payments to Government
- **External Audits:**
  - UN Voluntary Principles on Security and Human Rights
  - Conflict-free Gold Standard
  - International Cyanide Management Code
  - Towards Sustainable Mining

**OVERSIGHT**

- Board of Directors
- HSE/SD Board Committee
- HSEC Corporate Team
- Stakeholder Advisory Committee

**EXECUTIVE COMPENSATION PROGRAM**

- Board of Directors currently reviewing to reflect feedback from shareholders and market best practices



# NORTHERN BUSINESS SUSTAINABILITY



NORTHERN BUSINESS SUSTAINABILITY

# Abitibi

Goldex
Lapa
LaRonde
Canadian Malartic (50%)



**CHRISTIAN PROVENCHER**
VP, Canada

# Abitibi: Performance Standards

| LEVEL | VERIFICATION CRITERIA |
|---|---|
| Y | Compliant |
| N | Non-compliant |

| LEVEL | VERIFICATION CRITERIA |
|---|---|
| C | No system in place |
| B | Actions taken; systems/processes planned |
| A | Systems/processes implemented |
| AA | Integration into management decisions |
| AAA | Excellence in Leadership |

## 2017 TSM AEM EXTERNAL VERIFICATION RESULTS

| TSM PROTOCOLS | INDICATORS | GOLDEX | LARONDE | CM |
|---|---|---|---|---|
| **Community** | Identification | AAA | AAA | AAA |
| | Engagement | AAA | AAA | AAA |
| | Response mechanism | AAA | AAA | AAA |
| | Reporting | AAA | A | A |
| **Biodiversity** | Communication | A | AA | A |
| | Planning | A | AA | A |
| | Reporting | A | AA | A |
| **Crisis Management** | Preparedness | Y | Y | Y |
| | Review | Y | Y | Y |
| | Training | Y | Y | Y |
| **Energy & GHG** | Management System | N/A | A | A |
| | Reporting | A | A | A |
| | Performance targets | N/A | A | B |
| **Health & Safety** | Policy | A | AA | A |
| | Planning | A | AA | A |
| | Training | AAA | AAA | AAA |
| | Reporting | A | AAA | A |
| | Performance | AA | AA | AA |
| **Tailings Management** | Policy | AA | AAA | AA |
| | Management system | AA | A | AA |
| | Responsibility | AA | A | AA |
| | Annual Management Rev. | AA | A | AA |
| | OMS manual | AA | A | AA |
| **Preventing Child Labour** | | Y | Y | Y |
| **Preventing Forced Labour** | | Y | Y | Y |

# Abitibi:
# Socio-Economic Contributions

AGNICO EAGLE

## Largest Gold Producer in Quebec



### Total Abitibi Region

- **825k** ounces of gold in 2017*
- **820k** ounces of gold estimated in 2018*

*Includes 50% Canadian Malartic production

## 2017 HIGHLIGHTS

**4 mines**
within 50km

**3,000+**
Jobs

**Abitibi**
Is also the home base for our project developments in Nunavut

**49%**
of Agnico Eagle's total production

## Economic Impact in 2017



$635M
Goods and services purchases in Abitibi-Témiscamingue

$1.7M
Donations, sponsorships and community investments

+ 600
Suppliers benefitting from regional purchases

$247M
Salaries and benefits in Abitibi-Témiscamingue (largest private employer in the region)

$43.3M**
Royalties paid to the government of Quebec

**Includes 50% of Canadian Malartic Mine royalties

# Abitibi:
# Areas of Focus

AGNICO EAGLE

## Environment



- Mining in close proximity to towns: noise, vibration, dust – managed and controlled
- Tailings storage facility management (minimizing footprint)
- Implementation of Cyanide Management code at LaRonde and CM

## Health and Safety



- LaRonde Mine: Orebody is getting deeper and further from our shafts.
  - Seismicity increases at depth – monitoring system and protocols
  - Heat increases at depth – ventilation and air condition
- Under-qualified contractor workforce (labour market) – partnership in training
- Training to focus on behavior

## Community



- More information sessions with neighbours – transparency and enhanced communications
- Explaining seismicity at depth – LaRonde
- First Nations relationships
- Community Relations in Malartic – Best practice with Good Neighbour Guide

## People



- Maintaining competitiveness in tough labour market
- Contractors – Partnership in maintaining productivity
- Deep mining - improve efficiency through automation to maintain productivity
- Aging workforce

# Innovation for Safety Underground at LaRonde

AGNICO EAGLE

### LTE COMMUNICATION TECHNOLOGIES (LEADING TO AUTOMATION)

2018: LTE network implemented

- LZ5, Mills
- Installation of 41km in LaRonde extension

### AUTOMATION OF MOBILE EQUIPMENT

- Pilot full stope mucking at LaRonde in Q1 2018
- Develop automated trucking strategy at LZ5
- Trucks and scoop fully automated test: Q4 2018 at LZ5
- Pilot program for design of LaRonde 3
- Pedestrian Detection System (Health & Safety)



Caption for image



Caption for image

# Sustainability at Goldex

- Reclaimed abandoned Manitou tailings in partnership with Quebec Government
- Designed to reduce environmental and social impacts
- Innovation – Rail-Veyor® Technology
- Reduced carbon footprint

  **4300/ty of CO2 (14 trucks)**
- Improved health & safety

  **Decreases dust, noise, heat and gases**

Entreprise en santé
CERTIFIÉE PAR LE BNQ

First mine to be certified

“Enterprise en Santé” (Healthy Business)



# Sustainability at Canadian Malartic

AGNICO EAGLE

## DONATIONS AND SPONSORSHIPS

In 2017, the community received more than $720,000 in donations and sponsorships as well as support for regional research.

**$720,000**
**IN DONATIONS AND SPONSORSHIPS**
as well as support for regional research, in 2017.

## GOOD NEIGHBOUR GUIDE

**$8.7 M PAID OUT**

**$7.5 M PAID OUT**

For the retroactive July 1st, 2013 to June 30th, 2016 period

| ZONE | AMOUNTS PAID OUT | % OF RESIDENTS REGISTERED |
|---|---|---|
| A | $3,982,686 | 83% |
| B | $2,036,579 | 99% |
| C | $1,534,382 | |
| Total population registration[1] | | 96% |

**$1.2 M PAID OUT**

For the July 1st, 2016 to December 31st, 2016 period

| ZONE | AMOUNTS PAID OUT | % OF RESIDENTS REGISTERED |
|---|---|---|
| A | $631,527 | 82% |
| B | $344,627 | 96% |
| C | $248,494 | |
| Total population registration[1] | | 92% |

[1] Percentage obtained based on the total number of individual claims made by Malartic residents, or three thousand and eighty-two (3,082), given that the population of Malartic is three thousand two hundred and ninety-four (3,294). (Source: *Ministère des Affaires municipales et de l'Occupation du territoire* website).

[2] Percentage obtained based on the total number of individual claims made by Malartic residents, or three thousand and seventy-one (3,071), given that the population of Malartic is three thousand three hundred and forty-eight (3,348), as estimated from the latest statistics (Source: Statistics Canada, *Ministère des Affaires municipales et de l'Occupation du territoire*, Chief Election Officer).

## COMPLIANCE & ISSUE MANAGEMENT

- 100% of the Mine's activities complied with current air quality and noise standards
- Diligent Management of Complaints and Concerns

| TYPE OF COMPLAINT | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|
| Noise | 7 | 58 | 42 | 5 |
| Air Quality | 3 | 10 | 1 | * |
| Blasting | 71 | 62 | 60 | 11 |
| Other | 3 | 4 | 1 | 5 |
| Total | 84 | 134 | 104 | 21 |

* Three complaints concerned noise and dust. These were entered in the *Noise* category.




**MARTIN PLANTE**

General Manager, Meliadine

# Nunavut:
# Performance Standards

AGNICO EAGLE

## 2017 TSM AEM EXTERNAL VERIFICATION RESULTS

| TSM PROTOCOLS | INDICATORS | MEADOWBANK |
|---|---|---|
| **Community** | Identification | AAA |
| | Engagement | AAA |
| | Response mechanism | AAA |
| | Reporting | AA |
| **Biodiversity** | Communication | AAA |
| | Planning | AAA |
| | Reporting | AAA |
| **Crisis Mgt** | Preparedness | Y |
| | Review | Y |
| | Training | Y |
| **Energy & GHG** | Management System | A |
| | Reporting | A |
| | Performance targets | A |
| **Health & safety** | Policy | AA |
| | Planning | AAA |
| | Training | AAA |
| | Reporting | A |
| | Performance | AA |
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| | Responsibility | A |
| | Annual mgt review | A |
| | OMS manual | A |
| **Preventing Child Labour** | | Y |
| **Preventing Forced Labour** | | Y |

| LEVEL | VERIFICATION CRITERIA |
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| A | Systems/processes implemented |
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| AAA | Excellence in Leadership |

| LEVEL | VERIFICATION CRITERIA |
|---|---|
| Y | Compliant |
| N | Non-compliant |

Cyanide Management Code last certification May 2015, being recertified in 2018

# Nunavut:
# Socio-Economic Contributions

AGNICO EAGLE

## Production Information



**Meadowbank**

- **353k** ounces of gold in 2017
- **220k** ounces of gold estimated in 2018

**Nunavut Output 2019**

**Amaruq**

- **135k to 190k** ounces of gold expected in 2019

**Meliadine**

- **165k to 175k** ounces of gold expected in 2019

## Key Facts about Agnico Eagle's Planned Growth in Nunavut



**ABOUT**

$1.6B

will be invested

**ABOUT**

$66M

In annual salaries for Kivalliq communities

**OVER**

$2.9M

in annual property taxes to the Government of Nunavut

2

Operating gold mines by 2019

**ABOUT**

$500M

Per year in goods and services after 2019

2,000

Employees, of whom approximately 700 will be Inuit and 500 will be contractors

**ABOUT**

$450M

in royalties and fees to the Kivalliq Inuit Association and Nunavut Tunngavik Incorporated over 15 years

# Nunavut:
# Areas of Focus

AGNICO EAGLE

## Environment



- Water Management
- Wildlife – caribou management plans, partnership with stakeholders
- Climate change included in closure scenarios (permafrost)
- Energy efficiency – focusing on alternative energy sources
- Working with stakeholders to streamline permitting

## Health and Safety



- Toward zero harm
- Development of alternative training methods for new employees (e-learning)
- Ensuring control of health & safety of employees during construction
- Selection of quality contractors
- Industrial Hygiene

## Community



- IIBA implementation
- Wide-spread communities – increased resources in each community
- Transparent communications to manage expectations
- Signed MOU with Government of Nunavut to partner in building capacity

## People



- Local workforce (Increased work readiness and training, clear career paths)
- Logistics – travel & accommodation management
- Cultural sensitivities

# Alternative Energy Option
# A promising scenario

- Environmental assessment started
- Technical feasibility study for 1 up to 6 turbines
- Fuel consumption reductions up to 12M liters / year
- Potential GHG emission reductions up to 36,000t / year



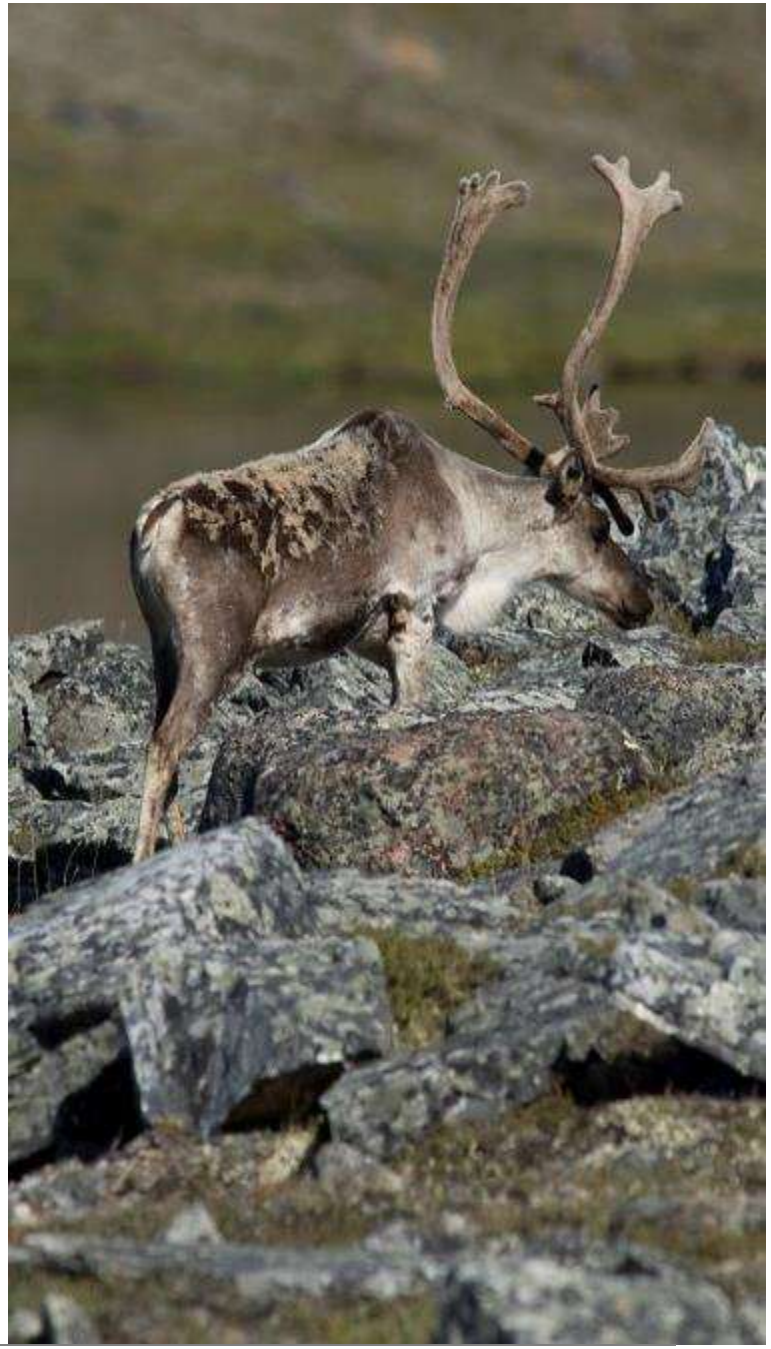
# Protection of a Fragile Arctic Ecosystem

- Management plans implemented to protect flora and fauna.

  i.e. Helicopters used to transport exploration drills during summer and ice roads during winter

- Strong partnership with the Government of Nunavut for caribou monitoring

- Multi-stakeholders joint advisory committee established in 2016 to improve practices and ensure regional sustainability of caribou



# Development of Local Workforce

## Development Initiatives

- Labour pool program
- Labour market preparation
- Summer student employment program
- Haul Truck trainee program
- Professional Development Programs for:
  - Drillers
  - Site Services
  - Maintenance
  - Mining operations
  - Processing plant
  - Road maintenance
- E-Learning
- Apprenticeship training

## 2017 HIGHLIGHTS

**18,174**
Training hours for Inuit employees

**48%**
of all training at Meadowbank is dedicated to Inuit employees

**$14M**
Invested in training since 2013



# Preparing New Leaders

## Educational Initiatives

- Active participation in the development of a Nunavut based mining school in partnership with Arctic College:
  - Practical training to be delivered at Agnico mine site & using Agnico mining equipment
- Implementation of the Rapid Inuit Specific Education (RISE) program:
  - Program designed to provide Inuit employees easier and faster access to supervisory positions and upward mobility
- Implementation of On-the-Job Pairing program:
  - Provides on-the-job training learning experience;
  - Ensure skills readiness for a nearby future supervisory position






**Jani Losonen**

VP, Europe

# Finland:
# Performance Standards

AGNICO EAGLE

## 2017 TSM AEM EXTERNAL VERIFICATION RESULTS

| TSM PROTOCOLS | INDICATORS | KITTILA |
|---|---|---|
| **Community** | Identification | AAA |
| | Engagement | AAA |
| | Response mechanism | AAA |
| | Reporting | AA |
| **Biodiversity** | Communication | AA |
| | Planning | AA |
| | Reporting | AA |
| **Crisis Mgt** | Preparedness | Y |
| | Review | Y |
| | Training | Y |
| **Energy & GHG** | Management System | A |
| | Reporting | A |
| | Performance targets | AAA |
| **Health & safety** | Policy | A |
| | Planning | AA |
| | Training | AAA |
| | Reporting | A |
| | Performance | AA |
| **Tailings Mgt** | Policy | AA |
| | Management system | AA |
| | Responsibility | AA |
| | Annual mgt review | AA |
| | OMS manual | AA |
| **Preventing Child Labour** | | Y |
| **Preventing Forced Labour** | | Y |

| LEVEL | VERIFICATION CRITERIA |
|---|---|
| **C** | No system in place |
| **B** | Actions taken; systems/processes planned |
| **A** | Systems/processes implemented |
| **AA** | Integration into management decisions |
| **AAA** | Excellence in Leadership |

| LEVEL | VERIFICATION CRITERIA |
|---|---|
| **Y** | Compliant |
| **N** | Non-compliant |

Cyanide Management Code recertification: May 11, 2018

# Finland:
# Socio-Economic Contributions

AGNICO EAGLE

## Production Information



**Total Output**

- **196k** ounces of gold in 2017
- **190k** ounces of gold estimated in 2018
- Between **185k and 190k** ounces of gold expected in 2019

## HIGHLIGHTS



The Kittila mine currently is the largest employer in Finland north of the Arctic Circle

**36%**
Of spending on local suppliers

**1,000+**
Employees at the mine including contractors

**€24M**
paid to Finland government in 2017 in taxes and royalties

**91%**
of the workforce is hired from the local region

**€581K**
Community investment in 2017

# Finland:
# Areas of Focus

AGNICO EAGLE

## Environment



- Permitting process - partnership with authorities
- Tailings management – improve plan and capacity
- Water treatment and management
- Promote recirculation of process water in a complex water balance
- Energy efficiency (ex. Heat recovery)

## Health and Safety



- Toward zero harm
- Enhance good safety behavior
- Industrial Hygiene
- Contractor & supervisor training

## Community



- Cohabitation and collaboration with other land users
- Enhancing awareness and understanding of responsible mining (post Talvivaara)
- Indigenous partnership in Sweden (Sami)

## People



- Recruiting new employees to move to Lapland in a competitive labour market
- Attractiveness of mining as an employer of choice (promotion)
- Partnering to improve quality of contractors

# New Water Treatment Facility at Kittila

*Our commitment to sustainability is more than words*

**A €21.5M WATER TREATMENT FACILITY WAS BUILT AND IS FULLY OPEATIONAL**

- One of the largest environmental investments made in Finland in recent years
- To decrease sulfate concentration in the water released to the environment and sulfate loading to the river (new permit condition)
- Required 3 years of lab test work, studies and pilot testing
- Gypsum precipitation was selected as the most reliable technology, even in very cold climates
- **50%** reduction in amount of sulfate in the effluent to the nearby Seurujoki River



# Agnico Eagle Finland Community Investment

**EDUCATION**

- Agnico Eagle Finland donated €1.13 million to the University of Oulu to advance mining education and research into the sustainable use of natural resources in Arctic regions

**RECREATIONAL**

- Sponsor local sports facilities
- Alpine Ski School

**CULTURAL**

- Sponsor local cultural events



# SOUTHERN BUSINESS SUSTAINABILITY






**LUIS FELIPE MEDINA**

VP, Mexico

# Mexico:
# Performance Standards

- Mexico is the 1st destination in exploration investment in Latin America and 4th in the world
- 1,558 mines operating and 1,156 projects in exploration stage
- Mexico Mining Chamber will encourage the new Government to develop policies to foster competitiveness as a top 10 leader mining country

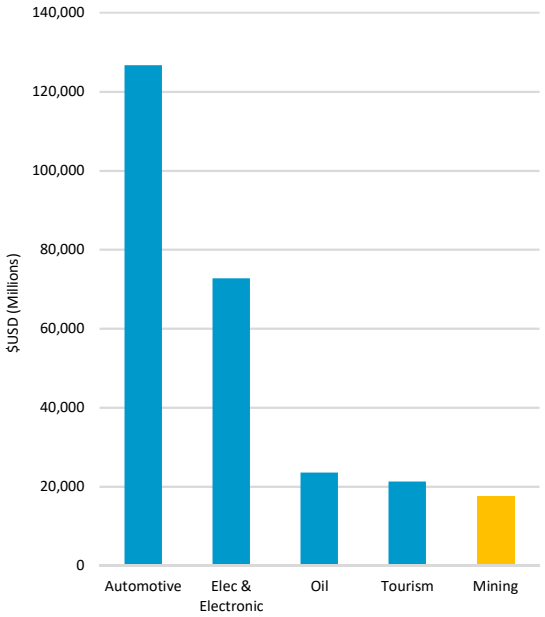
Source: SNL Metals & Mining 2015, Behre Dolbear, CAMIMEX.

**TOP MINING STATES IN MEXICO**



**4% of the national GDP comes from mining**

**TOP INCOME INDUSTRIES IN MEXICO**




Source: INEGI and Banco de México

**MEXICO RANKS IN THE TOP 10 WORLDWIDE PRODUCERS OF 16 MINERALS:**

| | | |
|---|---|---|
| 1st | Silver | 20.7% |
| 2nd | Fluorite | 15.6% |
| 3rd | Bismuth | 6.9% |
| 3rd | Wollasonite | 9.6% |
| 3rd | Celestite | 21.6% |
| 5th | Lead | 5.2% |
| 5th | Molybdenum | 1.8% |
| 5th | Zinc | 6.0% |
| 6th | Cadmium | 5.4% |
| 7th | Diatomite | 3.0% |
| 7th | Salt | 4.1% |
| 8th | Baryta | 3.5% |
| 8th | Gold | 4.0% |
| 9th | Cast | 2.1% |
| 9th | Manganese | 1.4% |
| 10th | Copper | 3.2% |

Source: Mineral Commodity Summaries 2017.

# Mexico:
# Performance Standards

AGNICO EAGLE

## 2017 TSM AEM EXTERNAL VERIFICATION RESULTS

| TSM PROTOCOLS | INDICATORS | LA INDIA | PINOS ALTOS |
|---|---|---|---|
| **Community** | Identification | AAA | AAA |
| | Engagement | AAA | AAA |
| | Response mechanism | AAA | AAA |
| | Reporting | AAA | AA |
| **Biodiversity** | Communication | AAA | AAA |
| | Planning | AAA | AAA |
| | Reporting | A | AAA |
| **Crisis Management** | Preparedness | Y | Y |
| | Review | Y | Y |
| | Training | Y | Y |
| **Energy & GHG** | Management System | AAA | AAA |
| | Reporting | A | A |
| | Performance targets | AAA | AA |
| **Health & Safety** | Policy | AAA | AAA |
| | Planning | AAA | AAA |
| | Training | AAA | AAA |
| | Reporting | AAA | AAA |
| | Performance | AAA | AA |
| **Tailings Management** | Policy | N/A | AA |
| | Management system | N/A | AA |
| | Responsibility | N/A | A |
| | Annual Management Rev. | N/A | AA |
| | OMS manual | N/A | AA |
| **Preventing Child Labour** | | Y | Y |
| **Preventing Forced Labour** | | Y | Y |

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| LEVEL | VERIFICATION CRITERIA |
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| **Y** | Compliant |
| **N** | Non-compliant |

Cyanide Management Code
Pinos Altos first certification: June 2015
La India certification: January 2018

# Mexico:
# Socio-Economic Contributions

AGNICO EAGLE

## Production Information



**Total Output**

- **330k** ounces of gold in 2017
- **323k** ounces of gold estimated in 2018
- **315k** ounces of gold expected in 2019

## 2017 HIGHLIGHTS

3 mines
within 100 km

1,780+
Direct employees

81%
Local hired employees

20%
of Agnico Eagle's total production

## Economic Impact in 2017



$213 M
Goods and services purchases in Mexico

$3.3 M
Community investment

$290 M
Historic tax contribution (PACM $239 USMD and LI $51 USMD)

$62 M
Historic contribution to private and government royalties

$46 M
Salaries and benefits generated by Agnico Eagle

# Mexico:
# Areas of Focus

## Environment



- Water Management
- Responsible administration for the mining risks in the communities where we operate
- Optimizing closure plans
- Dust control in crushing areas
- Optimize diesel consumption
- Develop strategies to use green energies in our process

## Health and Safety



- Our aim is “0” accidents
- Individual record with no LTA:
  - Pinos Altos 5.3 M hours from March 2016 to August 2017
  - Creston Mascota 2.95 M hours since June 2015
  - La India 6.84 M hours from April 2014 to March 2018

## Community



- Maintain social license to operate – from the main mining producers in the country, Agnico Eagle is the only Company that has “0” lost time due to social conflicts
- Improve land acquisition strategy and local leaders opinion
- Work together with the Municipalities on projects proposed by the surrounding communities to develop with the revenues from the mining tax (30 projects)
- Promoting local suppliers and diversifing the economy of the region

## People

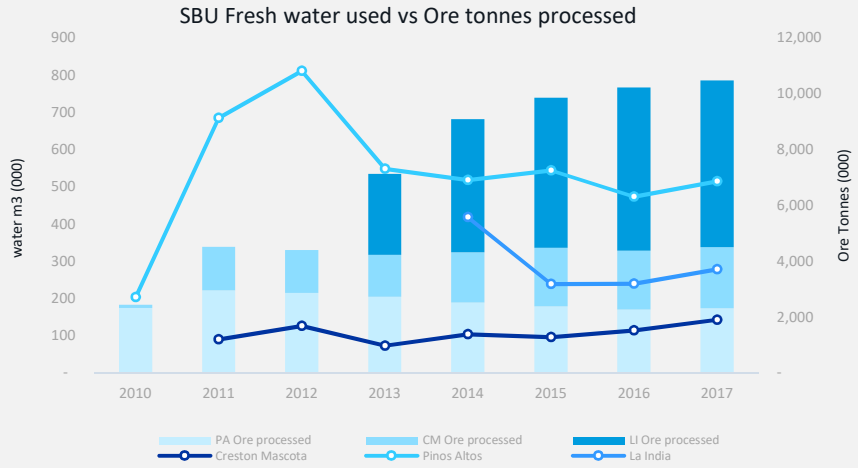


- Maintaining strong employee relations contributes to preserving our social license (Great Place to Work)
- Respect local culture and encourage and appreciate diversity
- Creating competitive jobs with competitive salaries

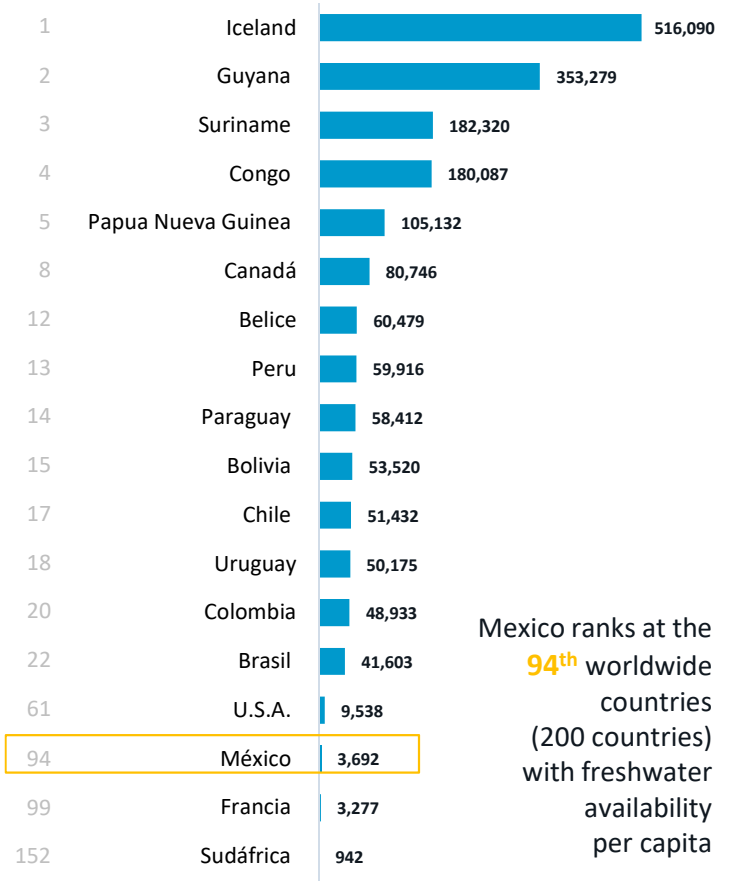
# Mexico:
# Areas of Focus

## WATER MANAGEMENT

- The renewable water per capita in Mexico's northern and central regions is seven times less than the availability in southeastern of the country.
- Our aim is to optimize water management.




## RENEWABLE WATER PER CAPITA ($m^3$/inhabit/yr)




Mexico ranks at the **94th** worldwide countries (200 countries) with freshwater availability per capita

# Mexico: Certifications

- Great Place to Work (GPTW)
- Family Responsible Company
- Gilberto Rincon Gallardo award as an Inclusive Company
- Equal Gender Model Company
- Corporate Social Responsible
- Clean Industry (Environmental national certification)
- International Cyanide Management Code Certification
- Distintivo H and Punto Limpio certifications in our camps services
- Silver helmet award which recognize the safety performance of the companies affiliated with the Mining Chamber of Mexico



# Investing in the Future

Agnico Eagle Mexico's social investment program (SIP) seeks to improve the health and socio-economic well-being of its local communities

**EDUCATION**

- Focus on rehabilitating and modernizing community schools at the preschool, elementary and high school levels
- 36 schools upgraded in communities that surround La India mine

**INFRASTRUCTURE AND ENVIRONMENT**

- Purchase of waste collection equipment and establishment of new waste storage areas, promoting a cleaner environment, benefitting nearly 10,000 people in three communities near La India Mine

**SOCIAL DEVELOPMENT**

- Community wellness initiatives targeting the overall health and well-being of our neighbours such as: a partnership with the Chihuahua Lions Club and the Center for Recycling and Distributing Lenses, to provide new glasses to children with vision problems and recycled lenses to older adults. To date, 634 people have benefited from improved sight



# Committed to Being a Leader in Sustainable Development

| ENVIRONMENTAL | SOCIAL | GOVERNANCE |
|---|---|---|
| We focus on limiting our environmental impacts by:<br>• using natural resources efficiently,<br>• preventing or limiting emissions<br>• reducing waste.<br><br>We identify, analyze and manage our environmental risks | We act in a socially responsible manner and contribute to the communities in which we operate<br><br>We are committed to working with our employees and other stakeholders to create growth and prosperity,<br><br>We work in a transparent manner with local stakeholders | We act in an ethically responsible manner and uphold our core values using our:<br>• Code of Business Conduct<br>• Ethics & anti-corruption, anti-bribery policy<br>• Our supplier code of conduct<br>• Our SD policy<br>• Our Indigenous Peoples Engagement Policy |

**ACTIVE PARTICIPATION IN LEADING MANAGEMENT AND DISCLOSURE INITIATIVES**

**RECOGNIZED BY INDEPENDENT ESG RATING & RESEARCH AGENCIES FOR OUR LEADING INDUSTRY PRACTICES**

# 2017 Sustainable Development Performance Reporting

AGNICO EAGLE

## AGNICO EAGLE

Downloadable PDF

https://www.agnicoeagle.com/English/sustainability/sd-reports-archive/default.aspx

Interactive Microsite

http://sustainabledevelopment.agnicoeagle.com/2017/en/

Global Reporting Initiative (GRI)

https://www.agnicoeagle.com/English/sustainability/gri-table-archive/default.aspx

## CANADIAN MALARTIC

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http://www.canadianmalartic.com/Developpement-Rapports-en.html









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