



AGNICO EAGLE

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") of Agnico Eagle Mines Limited (the "Corporation").

I. PURPOSE OF THE HSESD COMMITTEE

The HSESD Committee shall advise and make recommendations in accordance with the Corporation's 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 HSESD Committee is to assist the Board of Directors 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 and safety, environment and social matters;
- supporting the 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 HSESD Committee shall have the authority to delegate to one or more of its members, responsibility for developing recommendations for consideration by the HSESD Committee with respect to any of the matters referred to in this Charter.

II. COMPOSITION

The HSESD 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 requirements.)

The members of the HSESD 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 HSESD Committee by the Board of Directors. The Board of Directors shall designate one member of the HSESD Committee as the chair of the HSESD Committee (the "Chair"), but if it fails to do so, then the members of the HSESD Committee may designate the Chair by a majority vote of the full HSESD Committee membership.

III. MEETINGS

The HSESD Committee shall meet at least four times annually and more frequently as desired or required. The HSESD Committee shall seek to act on the basis of consensus, but an affirmative vote of a majority of members of the HSESD Committee participating in any meeting of the HSESD Committee shall be sufficient for the adoption of any resolution.

IV. RESPONSIBILITIES AND DUTIES

The HSESD Committee's primary responsibilities are to:

General

1. review, on a quarterly basis, reports by management on health and safety, environmental and community affairs;
2. review, on an annual basis, report by management on health and safety, environment and sustainable development;
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 and 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 health and safety, environmental and corporate social responsibility fields, as well as evaluating their impact on the Corporation;
5. review results of operational, health and safety and environment audits and management's activities to maintain appropriate internal and external operational, health and safety and environmental audits;
6. review and make recommendations in regard to health and safety, environmental and sustainability policies and procedures;
7. keep the Board of Directors abreast of their duties and responsibilities related to the scope of the HSESD Committee;
8. evaluate the effectiveness of the health and safety, environment and sustainability programs and make recommendations for improvement;
9. review and make recommendations in regard to any health and 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 and safety, environmental or community incidents are of significance to report to the Board of Directors;
12. review the scope of potential health and safety, environmental and social liabilities and the adequacy of the health and safety, environmental 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 HSESD 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 and safety, environment and community matters;
15. request investigation of any extraordinary negative health and safety and environment performance where appropriate;
16. report to the Board of Directors following each meeting of the HSESD Committee and at such other times as the Board of Directors may consider appropriate;
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 HSESD Committee by the Board of Directors;

Responsibilities of the Chair

18. establish the frequency of HSESD Committee meetings and the agendas for meetings;
19. provide leadership to the HSESD Committee and preside over HSESD Committee meetings;
20. report to the Board of Directors with respect to the significant activities of the HSESD Committee and any recommendations of the HSESD Committee;
21. review and assess the adequacy of the HSESD Committee's mandate and evaluate the HSESD Committee's effectiveness in fulfilling its mandate; and
22. ensure that the HSESD Committee carries out its mandate through reasonably required steps.

SCHEDULE A

Unrelated Director

Under the Toronto Stock Exchange rules, "independent director" means a director who:

- (a) is not a member of management and is free from any interest and any business or other relationship which in the opinion of the Exchange could reasonably be perceived to materially interfere with the director's ability to act in the best interest of the company; and
- (b) is a beneficial holder, directly or indirectly, or is a nominee or associate of a beneficial holder, collectively of 10% or less of the votes attaching to all issued and outstanding securities of the applicant.

The Exchange will consider all relevant factors in assessing the independence of the director. As a general rule, the following persons would not be considered an independent director:

- i) a person who is currently, or has been within the past three years, an officer, employee of or service provider to the company or any of its subsidiaries or affiliates; or
- ii) a person who is an officer, employee or controlling shareholder of a company that has a material business relationship with the applicant.

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 National Instrument 52-110 – *Audit Committees* ("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.