

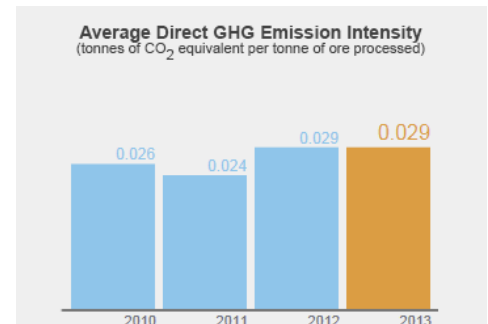
MAKING A DIFFERENCE

2013 Sustainable Development Report

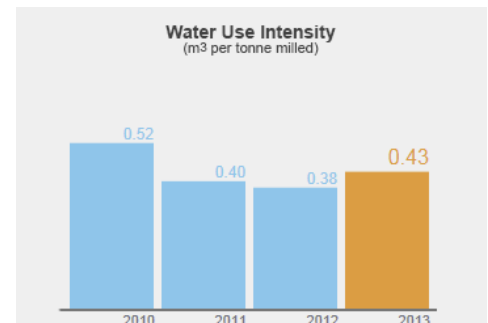
2013 Key Highlights

Agnico Eagle improved its performance during the year in the area of health and safety. We continued working on the implementation of our in-house environmental health and safety and community relations management system, providing a framework and tools for continuous performance improvements.

GHG Emissions Intensity: In 2013, our average direct GHG emission intensity (the tonnes of CO₂ equivalent per tonne of ore processed) for all of our operating mines was 0.0285 tonnes, a 3% reduction from 0.0293 tonnes in 2012.



Water Use Intensity: Our withdrawal and use of fresh water per tonne of ore milled from all sources averaged 0.43 m³, up from 0.38 m³ in 2012 and 0.40 m³ in 2011, and down from 0.52 m³ in 2010. These numbers reflect our continued efforts to improve overall water use intensity.



Local Hires: The proportion of the mine workforce hired locally is 81% while the proportion of the mine management team hired locally is 71%.

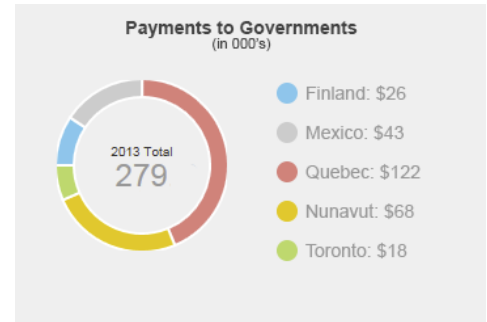
Workforce Hired from the Local Community

81%

Workplace Environmental Inspections: We increased our number of environmental inspections carried out in 2013 by 37% for a total of 1,403 inspections. The best way to manage spills is to prevent them from occurring. AEM is taking a proactive approach and increasing the number of inspections to prevent environmental incidents before they happen.



Economic Contributions: Agnico Eagle paid \$279 million in taxes and royalties to all levels of government, invested \$2.8 million in our operating communities and provided over \$372 million in wages and benefits to our global workforce.



Health and Safety: We improved our overall health and safety performance, achieving a combined lost-time accident (LTA) frequency of 1.70 – substantially below our target rate of 2.8 and our lowest ever combined LTA rate.

Combined Lost-Time Accident Frequency

30%
reduction

All funds unless otherwise specified are reported in \$US.

Overview

Agnico Eagle (Agnico Eagle Mines Limited or AEM) is committed to making a difference for all of our stakeholders. We do this by creating economic value for our shareholders and by operating in a safe, socially and environmentally responsible manner while contributing to the prosperity of our employees and the communities in which we operate. Our goal is to establish a strong financial foundation which will allow us to share the wealth that is created through our investment in the mining and extraction of gold, and act as a catalyst for the development of sustainable communities.

We believe our approach to sustainable development also provides Agnico Eagle with a competitive advantage. It helps us manage our risks more effectively, reduce environmental impacts over the long term, decrease our operating costs and improve our health and safety performance. We also benefit from engaging with our communities, attracting high caliber employees, providing local businesses with additional economic opportunities and, ultimately, by creating value and delivering better returns to our shareholders.

With data collected from our sites since 2009, we are able to track and assess our performance against our own values, responsibilities and expectations, as well as against the global mining industry's best practices and standards. Along with input from Agnico Eagle's key stakeholders, we are developing a comprehensive road map to advance our sustainable development performance, responsibly grow our gold business and adapt to the changing needs and expectations of society.

Our strategy and reporting program are focused around five areas: health and safety of employees and contractors; employee and stakeholder engagement; direct economic value to key stakeholders; governance matters; and environmental issues related to waste and water management, tailings and mine closure. For the purpose of this report, these significant or "material" issues will be identified with the following icons.



Health and
Safety



Employees and
Stakeholders



Economic
Value



Governance



Environment

Overview

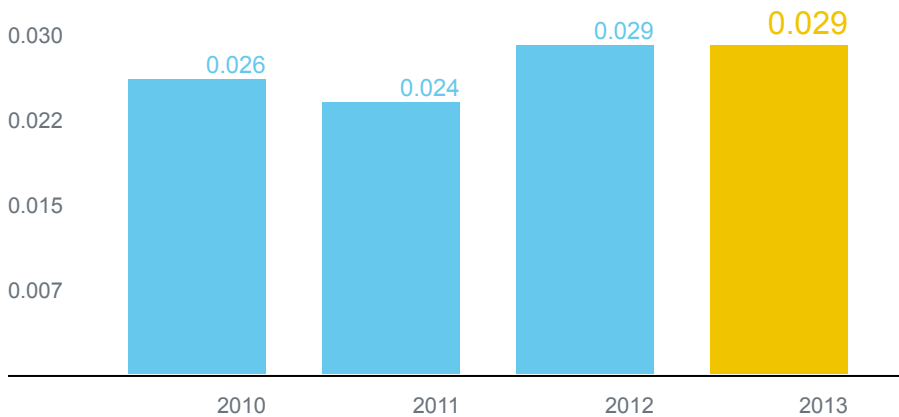
2013 Sustainable Development Highlights

In 2013, we continued to integrate our sustainable development program into all aspects of our business. The following highlights indicate where our program has made a difference:

- **Sustainable Development Policy:** In 2013, Agnico Eagle distributed the new Sustainable Development Policy, that had been approved by the board of directors in 2012. The policy formally outlining the guiding principles and commitments to be upheld by the Company. The Sustainable Development Policy is articulated around four fundamental values of sustainable development at Agnico Eagle: respect for our employees; protection of the environment; safe operations; and respect for our communities.
- **Best 50 Corporate Citizens in Canada:** In 2013 Agnico Eagle was named as one of the Best 50 Corporate Citizens in Canada for the third year in a row. This honour, given out annually by Corporate Knights Inc., places Agnico solidly among the top sustainability performers in the country. Judging is based on a set of twelve measures that put the focus firmly on sustainability and employee health and safety.
- **Stakeholder Advisory Committee:** In 2011, we established a Stakeholder Advisory Committee to obtain input and guidance into our SD programs and in November 2013 held the Committee's third meeting. Our divisions continued their stakeholder engagement programs at local and regional levels.
- **GHG Intensity:** Our overall greenhouse gas (GHG) intensity in 2013 was 0.0285 tonnes of CO₂ equivalent per tonne of ore processed, a slight (3%) reduction from compared to 0.0293 tonnes in 2012.

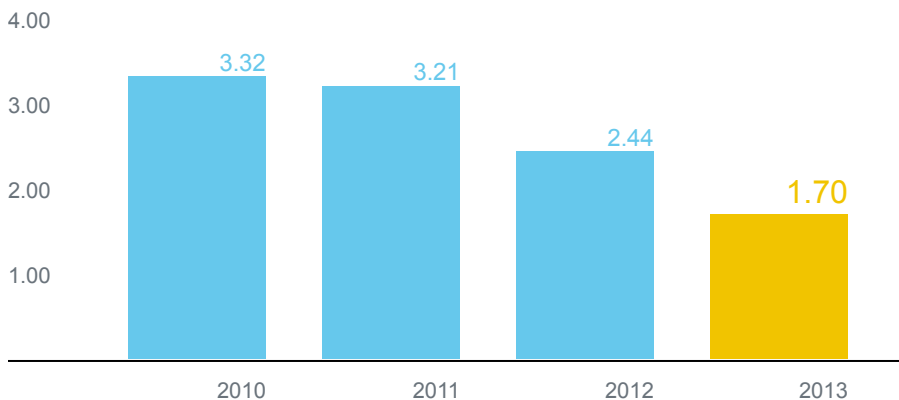
AEM's Total Direct GHG Emission Intensity

(tonnes of CO₂ equivalent per tonne of ore processed)



- Combined LTA Frequency:** In 2013, our combined lost time accident (LTA) frequency was 1.70 – a 30% reduction from the previous year's performance – and substantially below our target rate of 2.8. This is the second year in a row we have posted our lowest ever combined LTA rate.

Combined Lost Time Accident Frequency



- RMMS:** In 2013, as part of the development of our in-house integrated Responsible Mining Management System (RMMS), we assessed the impact of our activities and associated levels of risk on health, safety, the environment and social acceptability. The aim with the RMMS is to further promote a culture of excellence that encourages our employees to continuously improve their skills and to not only meet, but exceed, the regulatory requirements for health, safety and environment. The system will be consistent with the ISO 14001 Environmental Management System and the OHSAS 18001 Health and Safety Management System. System documentation will be supported by Intelext software.
- Socially Responsible Company:** In 2013, Agnico Eagle Mexico was recognized for the sixth consecutive year as a social responsible company by the Centro Mexicano para la Filantropía (CEMEFI). We were also recognized by the Chihuahuan business foundation 'Fundación del Empresariado Chihuahuense' with an award of distinction for being a Socially Responsible

Company. Our Pinos Altos site was once again identified in Mexico's 'Great Place to Work' rankings.

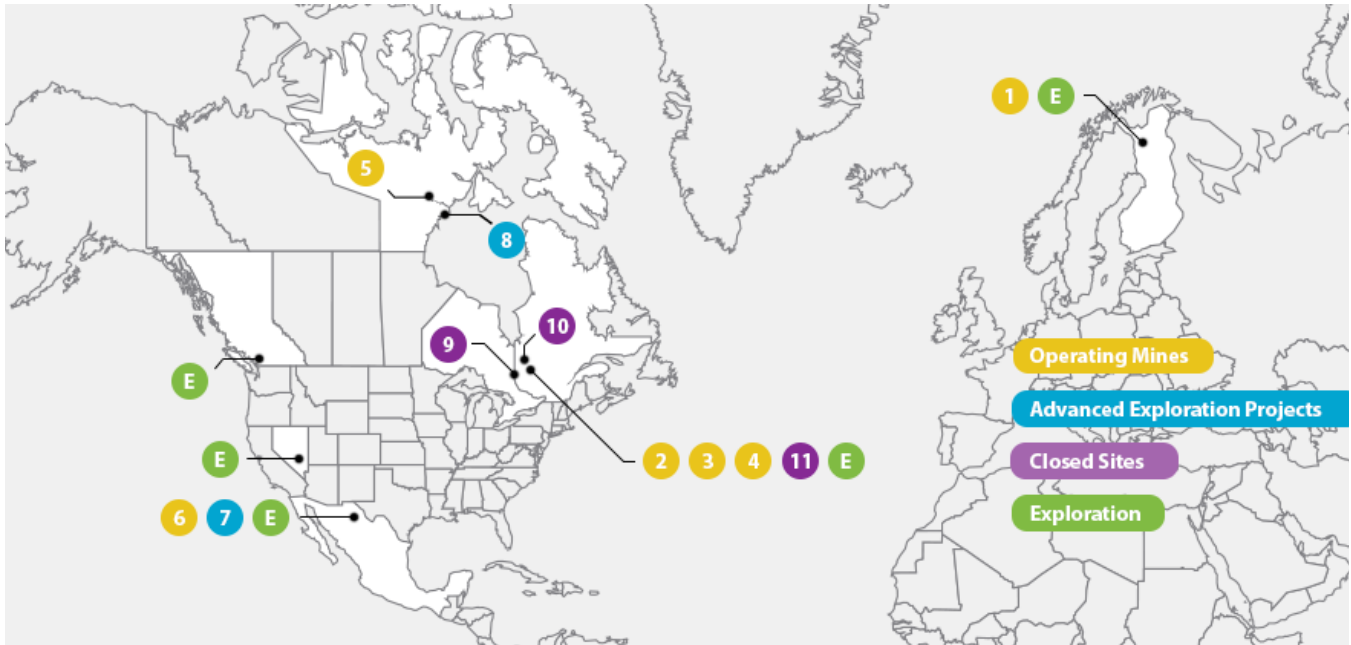
- **Silver Hard Hat:** Pinos Altos won the Jorge Rangel Zamorano "Silver Hard Hat" award at the 2013 Annual Safety Contest of the Mexican Chamber of Mines, for maintaining the best safety statistics for underground mines with more than 500 workers within the Mexican mining industry during 2012.
- **Clean Industry:** Pinos Altos and Creston Mascota sites were recertified as an Industria Limpia (Clean Industry) by La Procuraduría Federal de Protección al Ambiente (the equivalent of the U.S. Environmental Protection Agency in Mexico). This certificate, obtained following a rigorous audit, recognizes the excellence of environmental management at the sites.
- **Safety First:** In 2013, the Quebec Mining Association ("AMQ") acknowledged Agnico Eagle's strong performance in this area of Health and Safety, recognizing 24 Agnico Eagle supervisors from the LaRonde, Goldex and Lapa mines for keeping their workers safe. The supervisors received AMQ security trophy awards for 50,000, 100,000 and 150,000 hours supervised without a lost-time accident.

Report feedback: We invite your comments and questions about this report. To learn more, please [visit our website](#) or email us at CSR@agnicoeagle.com

Overview

AEM At-a-Glance

Agnico Eagle is a Canadian-based gold producer with mines and exploration properties in Canada, Finland, Mexico and the United States, and a strong record of delivering quality growth in lower risk regions.



Operating Mines

1 Kittila

Lapland, Finland
Underground mine, northern Finland

2013 payable production: 146,421 ounces of gold

Employees and contractors: 693

Kittila, located in northern Finland, is extracting ore from one of the largest known gold deposits in Europe. It is now an underground-only mine following the completion of open pit mining in late 2013.

2 Lapa

Quebec, Canada
Underground mine in Abitibi region, Quebec

2013 payable production: 100,730 ounces of gold

Employees and contractors: 290

Small underground operation near LaRonde has gold grades almost twice as rich as the Company's average.

3 LaRonde

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

2013 payable production: 181,781 ounces of gold

Employees and contractors: 1080

Flagship mine in northwestern Quebec has produced more than 4.4 million ounces of gold since 1988.

4 Goldex

Quebec, Canada
Underground mine in Abitibi region, Quebec

2013 payable production: 20,810 ounces of gold

Employees and contractors: 308

Underground mining from the M and E satellite zones and processing in the mill started in September 2013. The Goldex operation achieved commercial production in the fourth quarter of 2013.

5 Meadowbank

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

2013 payable production: 430,613 ounces of gold

Employees and contractors: 1030

Open pit mine in the Nunavut Territory of Canada is Agnico Eagle's largest gold producer.

6 Pinos Altos

Chihuahua, Mexico
Open pit and underground mine with milling and heap leach operation in northern Mexico (gold, silver byproduct)

2013 payable production: 181,773 ounces of gold

Employees and contractors: 1,566

Open pit and underground mining operations in northern Mexico, has proven and probable reserves containing 2.3 million ounces of gold and 59.4 million ounces of silver (29 million tonnes grading 2.5 g/t gold and 64.3 g/t silver).*

Advanced Exploration Projects

7 La India

Sonora State, Mexico
The La India project, located in the Mulatos Gold Belt of Mexico's Sonora State, is under construction.

Reserves: Probable reserves: The La India mine hosts proven and probable reserves* of 0.8 million ounces of gold contained within 27.1 million tonnes of ore grading 0.9 g/t Au.

Employees and contractors: 407

Highlight: La India was approved for development in September 2012. The open pit heap leach operation and commercial production is anticipated in the first quarter of 2014. La India is expected to pour 50,000 ounces of gold in 2014, and to average 90,000 ounces of gold per year in 2015, 2016 and over the reserve life.

8 Meliadine

Nunavut, Canada
Meliadine, an advanced-stage gold project in Nunavut Territory, northern Canada, is Agnico Eagle's second major project in Canada's Low Arctic, following the Meadowbank mine. Meliadine is also our fastest growing deposit with multiple high-grade zones.

Reserves: The project has 2.8 million ounces of gold in proven and probable reserves* (12.0 million tonnes at 7.4 g/t) and a large mineral resource.

Employees and contractors: 71

Highlight: High-grade project continues to grow; an updated study is expected to be completed in 2014 and project permitting is proceeding on schedule. This project has the potential to be Agnico Eagle's largest single gold producer.

Closed Sites

9 Cobalt–Coleman Properties

Ontario, Canada
Mining activities ceased in 1989. Post-closure monitoring and maintenance is carried out.

Highlight: A request was received from the Ontario Ministry of Northern Development and Mines to update and resubmit the closure plans for our properties in Cobalt. All closure plans will be submitted by the end of 2016.

10 Eagle & Telbel

Quebec, Canada

Mining activities ceased in 1993. In the process of being reclaimed.

11 Preissac Molybdenite

Quebec, Canada

Never mined by AEM. Mining activities ceased in 1972. In the process of being returned to the Crown.

Exploration**E Exploration Offices**

Vancouver, British Columbia, Canada; Chihuahua, Chihuahua State, Mexico; Kittila, Lapland, Finland; Reno, Nevada, USA; Val-d'Or, Quebec, Canada

Overview

Chairman's Message

**A Message from Our Chairman, Jim Nasso:**

Sustainable development is at the very core of Agnico Eagle's values. We are committed to operating in a safe and socially and environmentally responsible manner while contributing to the prosperity of our employees, their families and the communities in which we operate.

We seek to build value for all of our stakeholders by advancing our performance in sustainability and by instituting best practices in effective communication, transparency, and corporate governance. Our sustainability program and values are integrated at the operational, executive and Board levels of our Company. Our actions and practices are guided by the policies and codes in place to ensure that our Board of Directors, officers and employees are able to operate to the highest standard of business conduct.

As a global mining company, we face ongoing and intensifying levels of public scrutiny regarding our actions and practices. In response, we have increased our own level of internal scrutiny. We have adopted a Code of Business Conduct and Ethics, as well as an Anti-Corruption and Anti-Bribery policy, to hold our directors, managers and employees accountable for their conduct and to make sure that ethical decision-making is an integral part of their work. We have also adopted a Code of Business Ethics for consultants and contractors.

The Company's commitment to transparency remains an important part of our strategy for achieving maximum shareholder value. We believe that transparency builds trust at all levels of the organization and externally. Our Stakeholder Advisory Committee (SAC) met once in 2013. The Committee's input was specifically sought on the preferred approach for developing external community grievance mechanisms and on the adequacy of AEM's sustainability reporting.

We support increased transparency on the disclosure of payments to governments and are actively involved in the Mining Association of Canada's Resource Revenue Transparency Initiative. Details on Agnico Eagle's payments to governments can be found in [this section](#). We also began implementing the World Gold Council's Conflict-Free Gold Standard on January 1, 2013. Our statement of conformance with the Conflict-Free Gold Standard can be found in [this section](#).

Our community initiatives continue to target education, training, and building local capacity because investing in the future of communities is also investing in the future of mining. I am pleased to report that our efforts continue to make a difference. In 2013, for the sixth year in a row, Agnico Eagle Mexico was recognized by the Mexican Centre for Philanthropy (Centro Mexicano para la Filantropía) and the Alliance for Social Responsibility of Enterprises (Alianza por la Responsabilidad Social Empresarial en México) – with an award of distinction for being a “Socially Responsible Company”.

As we move forward, we will continue to invest in important environmental, social and economic initiatives that make a difference with our employees and in our communities.



James D. Nasso
Chairman of the Board
April 15, 2014

Overview

Sr. VP Environment & Sustainable Development's Message



A message from our Senior Vice President, Environment and Sustainable Development, Louise Grondin:

A lot happened in the gold mining business in 2013. The drop in the price of gold forced us to be more efficient and cost conscious. It is in times like this that we realise the value of an integrated approach in the management of health and safety, environment and community relations. Our management team emphasized the fact that cost reduction was not to be done to the detriment of our performance in these sectors. The response from our employees was overwhelming. In 2013, we achieved record production and the lowest combined accident frequency in Agnico Eagle's history.

A risk assessment exercise was started in all our divisions in 2013 as part of the development and implementation of the Responsible Mining Management System (RMMS) and should be completed in 2014. This will help us focus on the important issues on our path for continuous improvement.

Success will be achieved by getting commitment from employees at all levels to responsible mining: operate safely, protect the environment, treat our employees and our community with respect.



Louise Grondin
Senior Vice President, Environment and Sustainable Development

Our Approach to SD



Our Approach to Sustainable Development

At the core of our Sustainable Development (SD) program we are committed to creating value for our shareholders by operating in a safe and socially and environmentally responsible manner while contributing to the prosperity of our employees, their families and the communities in which we operate. This has translated into the four fundamental values of our Sustainable Development Policy: operate safely, protect the environment, and treat our employees and communities with respect.

- Respecting and valuing our employees because our progress is built on their competence, capacity and engagement.
- Empowering our employees to work collaboratively in a culture where safety and respect are paramount
- Using best industry practices and innovation to continuously improve our environmental and safety performance
- Acting in a socially responsible manner and contributing to the communities in which we operate, making a difference in their everyday life
- Working together with all of our employees and other stakeholders to create growth and prosperity, which allows all stakeholders to benefit
- Learning from our past experiences

Governance and Accountability

Our governance practices guide our behaviour and performance, helping to ensure we act in an ethically responsible manner and uphold our core values. Agnico Eagle has established a “whistleblower” toll-free ethics hotline for anonymous reporting of any suspected violations of the Code of Business Conduct and Ethics, including, but not limited to, concerns regarding accounting, internal accounting controls or other auditing matters, code of conduct violations, ethical conflicts, environmental issues and health and safety issues. Each quarter, a report is submitted to the Audit

Committee outlining the number of complaints received since the previous report.

Management accountability: Our SD program and values are integrated at the operational, executive and Board levels. Corporate oversight and implementation of the program are the direct responsibility of three executive officers – the Senior Vice-President of Human Resources, who is responsible for human resources, and the Senior Vice-President of Environment and Sustainable Development, who is responsible for environmental oversight and who is assisted by the Vice-President of Health and Safety and Community Relations for health and safety and community engagement oversight.

Processes are in place to ensure that Sustainable Development matters (health and safety, environment and social acceptability) are integrated into the day-to-day management of our business at the operational level. Our operations identify, prioritize, monitor, manage and mitigate sustainability risks on a daily basis. Issues are discussed during bi-weekly operational conference calls where all mine managers report on their performance over the past two weeks, reviewing the highlights of their safety and environmental performance as well as their community engagement activities. Problems and solutions are shared among divisions, contributing to the continuous improvement of our performance. Reporting on sustainability matters is also part of the monthly operational report provided to management. These reports include key performance indicators which have been established for water use, energy use and greenhouse gas emissions. During the Quarterly Business Review meetings, which involve the operations managers and executive team, SD issues are typically presented and discussed. Risk assessments with identification of mitigation measures are also covered. Finally, SD matters are presented to the Health, Safety, Environment and Sustainable Development Committee of the Board of Directors at each Board meeting.

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

Respect for Our Employees

We aim to maintain a safe and healthy workplace that is based on mutual respect, fairness and integrity.

To achieve this we:

- Ensure that no discriminatory conduct is tolerated in the workplace;
- Provide a fair and non-discriminatory employee grievance mechanism;
- Value diversity and treat all employees and contractors fairly, providing equal opportunity at all levels of the organization without bias;
- Employ and promote employees on the basis of merit;
- Provide fair and competitive compensation;
- Enforce a drug and alcohol-free workplace;

- Maintain the confidentiality of collected personal and private information about employees;
- Recognize the right of employees to freedom of association;
- Provide appropriate training and development opportunities;
- Consult, communicate and provide appropriate support to employees during their association with AEM.

Our Code of Conduct

Agnico Eagle's Code of Business Conduct and Ethics outlines the standards of ethical behaviour we expect from people working on behalf of our Company around the world. The Code applies to all directors, officers, employees, agents and contractors and commits them to conducting their business in accordance with all applicable laws, rules and regulations and to the highest ethical standards. In particular, AEM has zero tolerance for corrupt transactions and strongly adheres to anti-corruption rules and principles as outlined in the Code. The Code also covers our standard of conduct based on respect for personal dignity and individual worth of every person working for or with Agnico Eagle. The Code stipulates a no tolerance level for discrimination. On an annual basis, all staff employees are required to review and certify that they have understood the Code of Business Conduct and Ethics.

The audit committee is responsible for monitoring compliance with their code and policy. In conjunction with the code and policy, we have established a toll-free compliance hotline to allow for anonymous reporting of suspected violations. To supplement the code of Conduct and Ethics, our Board of Directors have also adopted an anti-corruption and anti-bribery policy.

For more information on AEM's Code of Business Conduct and Ethics, [click here](#).

Human Rights

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

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

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

Child and Forced Labour

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

Crisis Management and Emergency Preparedness

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

These individuals make a difference in the safety of the workplace by being prepared to respond in the event of an emergency situation at any of our minesites.

Each of AEM's mining operations has its own Emergency Response Plan and has personnel trained to respond to safety, fire or environmental emergencies. Each site also maintains the appropriate response equipment. In 2013, we undertook a full review of our Emergency Response & Crisis Management Plans at all of our divisions, including the communications component, to ensure consistency and that major risks are covered.

Security in Mexico

Our Pinos Altos mine is located in Chihuahua State and our La India project is located in Sonora State in the Sierra Madre region of northern Mexico. Even though the Northern Mexican States saw an intensification of drug-related criminal activity in the last three years, the regions around Pinos Altos and La India do not experience the same conditions. However, our primary safety concern is for our employees. We have a responsibility to ensure that our employees can travel safely from their place of residence to the camp and from the camp to the mine, and we are also responsible to ensure that the camp and the minesite are secure. A series of security measures have been implemented to help us meet these responsibilities and these measures are routinely audited and updated by a third party expert. Our security workforce is contracted; they are supervised by mine personnel to ensure that efficient security procedures are put in place but that this is done with all the respect due to our employees. We cooperate with government officials including military and police but our security personnel do not intervene outside the realm of protecting our employees.

Public Policy Participation

One of the ways that Agnico Eagle is making a difference in the industry is through public policy participation. Agnico Eagle is a member of the Mining Association of Canada (MAC), the Mexican Chamber of Mines (CAMIMEX), the Association of the Finnish Extractive Resources Industry (*Kaivannaisteollisuus ry – FinnMin*) and the European Association of Mining Industries, Metal Ores & Industrial Minerals (Euromines) through our Finnish subsidiary Agnico Eagle Finland Oy, as well as the Quebec Mining Association (*l'Association minière du Québec – AMQ*) and the NWT & Nunavut Chamber of Mines. We typically participate in discussions on public policy issues as a member of these industry organizations.

AEM encourages the development of sound public policy through open dialogue and debate. Through the Conference Board of Canada, we participate in the Centre for the North – an organization whose main purpose is to work with aboriginal leaders, businesses, governments, communities, educational institutions and other organizations to achieve a shared vision of sustainable prosperity in the north. The Centre's goal is that within five years it will have built a common vision of sustainable prosperity among key northern stakeholders and helped them establish and implement policies, strategies and practices capable of transforming that vision into reality.

Our Approach to SD






Materiality and Stakeholder Engagement

Potential Impact on Business and Importance to Multiple Stakeholders

High Impact, Low Influence

- Talent management
- Employee training

High Impact, High Influence

-  Health and safety
-  Employee and stakeholder engagement
-  Economic value
-  Governance
-  Environment

Low Impact, Low Influence

- Public policy involvement
- Government financial assistance
- Supply management

Low Impact, High Influence

- Energy management
- Biodiversity
- Workplace diversity
- Site security
- Regulatory compliance

Making a Difference Where It Matters

Our core values support our long-term goals to responsibly grow our gold business, continuously improve our SD performance, and deliver on our commitments to AEM's shareholders and stakeholders. In all aspects of our business we aim to: operate safely, protect the environment, and treat our employees and communities with respect.

As a global mining company, AEM has a unique responsibility to ensure we are addressing the evolving needs and priorities of our business and key stakeholders – including shareholders, employees, contractors, business partners, communities, governments and others. In 2013, we took a number of steps to ensure our SD program focused on our most material issues. A material issue

is defined as an issue:

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

In 2013, we held our third Stakeholder Advisory Committee (SAC) meeting; Committee members are independent stakeholders with expertise in sustainability, community development, disclosure and governance practices. The Committee provides us with guidance on building a focused sustainability strategy by reviewing our social investment priorities and our sustainability initiatives. The goal of this more focused strategy is to provide clear outcomes and rewards for both Agnico Eagle and the communities in which we operate.

One key recommendation from the SAC was to provide a more focused and balanced report by prioritizing our material issues. Based on this feedback, we conducted a materiality assessment which included a review of leading global industry practices and standards including the latest sustainability guidelines (GR3.1) from the Global Reporting Initiative (GRI) and the Mining Association of Canada's TSM (Towards Sustainable Mining) Initiative. The purpose of the assessment was to determine AEM's "material SD issues" as defined above.

This initial assessment identified our most material SD issues (see the figure above), which are:

- the safety of employees and contractors;
- employee and stakeholder engagement;
- direct economic value to key stakeholders;
- governance matters; and
- environmental issues related to waste and water management, tailings and mine closure.

It is important to note that while we consider the issues in the upper-right quadrant to be the most material, none of the issues are considered unimportant; the position of each topic in the matrix simply represents our understanding of its relative potential impact on Agnico Eagle and our stakeholders.

More Targeted Reporting

Based on the feedback we have received from external experts and our key stakeholders, our report now focuses mainly on issues with the highest impact on our business from both a company and stakeholder perspective as well as on issues where we can make a real difference. It also addresses the need to provide a more focused and balanced view of our material business issues. As our business and the challenges we face continue to evolve, we look forward to working with stakeholder and industry experts on ways to further improve our SD performance and reporting programs.

Our Approach to SD

Governance

Governance and Accountability for Sustainable Development

Our governance practices guide our behaviour and performance, helping to ensure we act in an ethically responsible manner and hold ourselves accountable to the commitments, values and principles contained in our Sustainable Development Policy. In doing so, we strive to make a difference in the public's perception of the mining industry.

Our sustainability program and values are integrated at the operational, executive and Board levels.

Our Board consists of 13 directors, 3 of which are female. All but one director are independent of management and free from any interest or business that could materially interfere with their ability to act in the Company's best interests.

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

Corporate Governance Committee

Audit Committee

Compensation Committee

Health, Safety, Environment and Sustainable Development Committee

Management and Board accountability: Our SD program and values are integrated at the operational, executive and Board levels. Corporate oversight and implementation of the program are the direct responsibility of three executive officers – the Senior Vice-President of Human Resources, who is responsible for human resources, and the Senior Vice-President of Environment and Sustainable Development, who is responsible for environmental oversight and who is assisted by the Vice-President of Health and Safety and Community Relations for health and safety and community engagement oversight. In 2012, the Board widened the mandate of the health and safety committee by renaming the committee and including oversight of our Sustainable Development program (the Health, Safety, Environment and Sustainable Development Committee).

Our Approach to SD

Stakeholder Advisory Committee



Agnico Eagle wants to invest in environmental and social responsibility initiatives that make a difference and that are strategically linked to the priorities and expectations of our key stakeholders.

We have established a Stakeholder Advisory Committee (SAC) to help us make strategic links and to complement our existing local stakeholder engagement activities. This approach also supports our global efforts to engage with our stakeholders on a regular basis and in a meaningful way. The SAC provides us with constructive feedback from a diverse group of priority stakeholders. It provides advice on building a focused sustainability strategy and a business case for our investments in sustainability, as well as reviewing our sustainability initiatives – including our environmental and social policies, programs, operational performance, communication and engagement.

Members of Agnico Eagle’s Stakeholder Advisory Committee are:

ENVIRONMENT

Gary Ash

Senior Fisheries Biologist/Principal
Golder Associates
Edmonton, AB

COMMUNITY DEVELOPMENT

Meg French

Director, International Policy and Programs
UNICEF Canada
Toronto, ON

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Representative

Large institutional investor
Montreal, QC

INUIT AND ARCTIC ENVIRONMENT

Mary Simon

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

BUSINESS ETHICS

Wesley Cragg

Senior Scholar and Professor, Schulich School of Business; and Project Director and Principal Investigator, Canadian Business Ethics Research Network (CBERN),
York University
Toronto, ON

SUSTAINABLE DEVELOPMENT, SAFETY AND MINING

Ross Gallinger

Executive Director
Prospectors and Developers Association of Canada (PDAC)
Toronto, ON

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Sandra Odendahl

Director, Corporate Sustainability
Royal Bank of Canada
Toronto, ON

ENVIRONMENTAL, SOCIAL AND GOVERNANCE




Irene Sosa

Senior Analyst, Research Products
Sustainalytics
Toronto, ON

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

In response to feedback from the Committee's inaugural meeting in 2011, we identified key priorities and developed the following action plans to respond to their core recommendations. AEM has assessed our progress to date as follows:

Leadership, Governance and Accountability

Recommendation	Status	Action
Develop a Board level sustainability subcommittee, and consider Board level capacity building needs	 Completed	The transformation of the Health, Safety and Environment (HSE) Committee into the HSE/Sustainable Development Committee done in 2012
Identify and articulate the link between sustainability and corporate strategy	 Completed	Following a policy review of our: <ul style="list-style-type: none"> • Code of Business Conduct and Ethics • Donations Policy • Environment Policy • Health and Safety Policy
Determine and communicate how this strategy/sustainability link can be operationalized at site level		a new Sustainability Policy was developed that integrates health, safety, environment and social responsibility considerations
Evaluate and adjust our code of ethics, so there is a stronger link to values and sustainability	 In process	We are in the process of evaluating the content of our Code of Business Conduct and Ethics

Stakeholder Engagement and Consultation

Recommendation	Status	Action
Identify and communicate how the Company is addressing risks linked to security and human rights in Mexico	 Completed	In our SD Reporting we have included discussion on the security and human rights measures instituted in Mexico
Develop/enhance Agnico Eagle policies, guidelines and suggested practices linked to stakeholder engagement	 In process	In 2013 we completed the stakeholder mapping process at each of our divisions and started work on the stakeholder engagement and communication plans. Both of these tools are part of the integrated Responsible Mining Management System (RMMS) and will track commitments more consistently and help improve performance
Create site-specific summary reports to meet local stakeholder expectations for content and language	 Completed	Producing site-specific fact sheets.
Develop grievance mechanisms to ensure stakeholder concerns are voiced and managed responsibly	 In process	2014/15 target of implementation of site level community response mechanisms and on a corporate level, re-examining our whistleblower policy and process for the potential for including SD accountability.

Carbon, Environment and Safety Management

Recommendation	Status	Action
Improve transparency of decisions relating to EH&S issues and initiatives (e.g., tailings management)	 Completed	Included in SD reporting
Ensure EH&S policies are applied locally, while identifying examples where incidents have occurred	 In process	Integration of the EH&S policies into the Sustainable Development Policy will make application easier and more consistent; RMMS implementation will complement and support the SD Policy
Shift to aspirational (Zero Harm) safety targets, and develop “leading” performance indicators	 In process	Long-term goal is reduction of the occurrence of accidents to none. Annual targets set by using an average of the best two years of performance from each site. Historical performance will be used to continuously reduce our targets and improve performance.
Shifting to positive indicators for Health and Safety	 In process	Internal task force initiated to implement new activity based performance indicators such as hours of training, safety meetings and tasks observations.
Obtain certification for ISO 14001 (Environment) and OHSAS 18001 (OH&S) management systems	 Recommendation only partly followed	RMMS will be based on ISO 14001 and OHSAS 18001 standards; however, Agnico Eagle will not apply for certification at this time.

In 2014, we will continue to advance the initiatives outlined above and develop and implement action plans to address the following recommendations made by the SAC in 2013:

Strategic community investment: The SAC identified the need to develop a more strategic approach to community investment that addresses community needs; aligns itself with AEM’s business strategy; develops clear objectives that are targeted and material to our stakeholders; is more sustainable over the long term; takes a consistent, balanced and collaborative approach; and regularly measures the impact of our investments.

Focus on outcomes rather than inputs: As an approach to quantifying the business value of certain investments, the SAC encouraged AEM to build from existing Key Performance Indicators to begin to track and report on outcome-related measures of community investment. For example, look for ways to assess and report on the effectiveness of training and its impact on performance; or track and report on the number of graduates rather than (or in addition to) the money invested in education.

Building capacity in the north: The SAC provided insight and guidance into how we can help build capacity in the north and better understand the vision of the people for their territory including: understanding the root causes and contributors to community, employee and workplace challenges; improving education and training in the north, with a focus on broader community economic development; better communicating the benefits of mining to local communities; developing enhanced partnerships with community, non-profit and research organizations to improve capacity building efforts in the north; and reflecting on our profile and how we are perceived locally, as we seek to be viewed as a legitimate partner in the community.

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

Our Approach to SD

Standards

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

As a participant in the following groups and initiatives, we have designed our RMMS to ensure that the following compliance requirements and industry standards are met:

- [Carbon Disclosure Project \(CDP\)](#)
- [Global Reporting Initiative \(GRI\)](#)
- [International Cyanide Management Code](#)
- [Towards Sustainable Mining \(TSM\) Initiative](#)
- [Conflict-Free Gold Standard](#)

The RMMS will be based on ISO 14001 and OHSAS 18001; however, certification under these standards will not be sought.

Carbon Disclosure Project

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

The CDP's goal is to encourage a rational response to climate change by facilitating a dialogue between stakeholders and businesses supported by harmonized, quality data. AEM made its first submission to the CDP in 2007 and we will continue to report on an annual basis. For more information on the Carbon Disclosure Project, visit www.carbondisclosureproject.net.

Global Reporting Initiative

The GRI sets out specific criteria and indicators that organizations can use to measure and report on their economic, environmental and social performance. We measure our performance using the G3 Sustainability Reporting Guidelines, including mining industry specific indicators incorporated in the GRI's Mining and Metals Sector Supplement (MMSS). Agnico Eagle self-declares that we are reporting at a Level A based on the GRI G3.1 and MMSS guidelines. For more information, visit www.globalreporting.org.

International Cyanide Management Code

The Cyanide Code is a voluntary industry program for companies that use cyanide to recover gold. It focuses on the responsible and safe management of cyanide and cyanide solutions used in gold mining – as well as on the protection of human health and the reduction of environmental impacts – through every stage of the mining process. Agnico Eagle signed the Cyanide Code in 2011 and our nominated operations are working towards certification within the three-year deadline. For more information on the Cyanide Code, visit www.cyanidecode.org. To learn more about Agnico Eagle's cyanide management practices, [click here](#).

Towards Sustainable Mining

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

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

In 2013, we conducted an internal audit against our performance reported in 2012 and we continued to train all of our divisions on the implementation of the TSM Initiative. Our self-assessment of how we currently rate against the TSM indicators is presented in the Performance Data section of this report. We aim to achieve a Level A rating at all of our mines. As a member of MAC, we will have to undergo an external verification of our TSM performance by the beginning of 2015. Such external verification will be conducted at each facility every three years thereafter. More detailed information can be found at www.mining.ca.

Our Approach to SD

Conflict-Free Gold Standard

With reference to the disclosure of payments to governments, we are committed to the principles of transparency and accordingly fully committed to the requirements outlined under various initiatives to increase this. For 2012 we reported all of our payments within our Sustainability Reporting in accordance with the GRI "Publish What you Pay" initiative, and will implement new reporting requirements when introduced.

Agnico acknowledges that operating responsibly and maintaining the trust of our stakeholders requires us to demonstrate that the gold we produce has been extracted in a manner that does not fuel unlawful armed conflict or contribute to serious human rights abuses or breaches of international law. As such, Agnico has adopted and implemented the World Gold Council's Conflict-Free Gold Standard. This Conflict-Free Gold Report summarises Agnico's conformance to the requirements of the Standard.

2013 is the first year of implementation of the Standard. This report covers all gold or gold-bearing materials dispatched by Agnico Eagle Mines Limited for the calendar year ended December 31, 2013 and has been assured by an independent assurance provider. This report will be updated annually, or as required by the Standard. [Click here to view the Agnico Eagle Mines Limited World Gold Council – Conflict Gold Standards Certification Report.](#)

Agnico retained Ernst & Young, an independent assurance provider, to assess its conformance with the Standard. Ernst & Young has conducted their assessment under the Standard in respect to the period from January 1 – December 31, 2013 and confirmed that the mines identified under Section A, the Pinos Altos and Mascota operations in Mexico are in conformance with the Standard. Ernst & Young's statement is available [here](#).

Implementation of the World Gold Council's Conflict-Free Gold Standard was initiated in January 1, 2013. Our Statement of Conformance covers the period January 1, 2013 to December 31, 2013. Limited assurance verifying Agnico's adherence to the Standard has been completed; and Agnico's first Conflict-Free Gold Report, which describes Agnico's conformance to the requirements of the Standard as well as the independent assurance report are posted on www.agnicoeagle.com under our Sustainability report.

Our Approach to SD

SD Recognition/Awards and Certifications

Our employees demonstrate leadership and innovation in the workplace. They help ensure we operate in a safe, socially and environmentally responsible manner. Here are some of the recognitions, awards and certifications our teams have recently received:

Best 50 Corporate Citizens in Canada: In 2013 Agnico Eagle was named as one of the Best 50 Corporate Citizens in Canada for the third year in a row. This recognition, given out annually by Corporate Knights Inc., places Agnico solidly among the top sustainability performers in the country. Judging is based on a set of twelve measures that put the focus firmly on sustainability and employee health and safety.

Demonstrating Excellence: Agnico Eagle was awarded the 2013 "Contribution to Economic Development by a Large Company, Rouyn-Noranda" prize presented by the Chamber of Commerce and Industry of Rouyn-Noranda. Our Pinos Altos operation in Mexico was listed once again in the "Great Place to Work" (GPTW) rankings; this year as #8 in the category for north west Mexico. Louise Grondin, Senior Vice-President, Environment and Sustainable Development, was announced as one of the winners in the inaugural 100 Inspirational Women in Mining, sponsored by Women in Mining (United Kingdom). She was one of 40 women nominated by Women in Mining (Canada) as inspirational of all levels and functions in the industry; there were 400 nominees altogether.

Jantzi Social Index (JSI) Listing: Agnico Eagle was first listed on Sustainalytics' Jantzi Social Index (JSI) listing in 2011, and acknowledged for "solid social performance as illustrated by its relations with indigenous communities". Since then we have continued to show a commitment to employee safety through our strong health and safety management systems resulting in a lower than average fatality rate compared to our industry peers."

Socially Responsible Company: Agnico Eagle Mexico was recognized for the sixth consecutive year by the Center Mexicano. Agnico Eagle Mexico was also recognized by the Canadian Chamber of Commerce in Mexico with the 2013 Outstanding Business Award (COBA) for Corporate Social Responsibility.

Safety First: The 2012 Award of Excellence in Safety was presented to Agnico Eagle by the Quebec Mining Association on June 9th, 2013. The O'Connell trophies are given out annually to the organizations with the most noticeable performances and improvements in the field of mine safety in Quebec. Our Goldex mine took home the O'Connell trophy in the category of combined performance and improvements for an underground operation with less than 400,000 hours worked. Our LaRonde mine took home the O'Connell trophy in the category of combined performance and improvements

for an underground operation with 400,000 hours worked, or more. The Quebec Mining Association recognized 24 supervisors from Agnico Eagle's LaRonde, Lapa and Goldex mines for achieving 50,000 hours and more without any compensable accidents on their work teams during the period from July 1, 2012 to June 30, 2013.

Agnico Eagle's Goldex mine rescue team won the Provincial Championships at the 51st Mine Rescue Competition and also won Best Operating Team and Best Performance During the Mission. Our Nunavut-based Meadowbank mine rescue team competed at the 56th Annual Mine Rescue Championship in Yellowknife and took top honours in two of the six events: the Rope Rescue; and the Smoke Test event that required team members to don breathing apparatuses while conducting a rescue of an injured person in a contaminated environment. Agnico's Pinos Altos Mine Rescue Team took first place in the 2013 National Mexican Mine Rescue Competition and won both the important "Underground Mine Rescue Event" and the "BG-4 Breathing Apparatus Event".

The Mexican Chamber of Mines (CAMIMEX) awarded Agnico Eagle's Pinos Altos mine the "Jorge Rangel Zamorano - Silver Hard Hat" award for its outstanding safety performance in 2012. They won in the category of "underground mine with more than 500 workers". This is the second year in a row and third time since 2009 that the Pinos Altos team has been recognized with this award which has in fact become the single most important national recognition for mine safety in Mexico.

Clean Industry: Agnico Eagle's Creston Mascota mine was certified, and our Pinos Altos mine was recertified, as Industria Limpia (Clean Industry) by La Procuraduría Federal de Protección al Ambiente (the equivalent of the U.S. Environmental Protection Agency in Mexico). This certificate, obtained following a rigorous audit, recognizes the excellence of environmental management at Pinos Altos.

Objectives



As we move into 2014, we will continue to measure our performance against the leading global standards of our industry and against the core values of our Company.

Our 2013 CSR Report covers activities at our six mining operations located in: Canada (LaRonde, Lapa, Goldex and Meadowbank), northern Finland (Kittila) and northern Mexico (Pinos Altos).

Our SD Report presents information on the economic, health, safety, environmental and social performance of AEM for 2013. Our goal is to provide our stakeholders with a better understanding of how we are measuring up in terms operational safety and environmental and social risks. We also describe our efforts to evolve and improve our corporate responsibility and risk management systems and performance.

We also include a discussion of the current status of the closed minesites over which AEM has responsibility. These sites include the Preissac Molybdenite, Eagle and Telbel minesites in northwestern Quebec and several closed silver minesites in Cobalt and Coleman, Ontario (some historical sites and some formerly operated by Agnico Mines). Our report includes only those operations where AEM has managing control and therefore does not include any activities by companies in which we hold a minority investment.

We have enhanced the reporting of our major exploration activities. While we have engaged more resources to better track our health, safety, human resource and environmental performance, we continue to refine our data collection and key performance indicators in this area. We are using the Prospectors and Developers Association of Canada's (PDAC) E3 Plus Framework for Responsible Exploration as a guidance tool.

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

- the Mining Association of Canada (MAC) under its Towards Sustainable Mining (TSM) Initiative;
- the Sustainability Reporting Guidelines (G3.1) developed by the Global Reporting Initiative (GRI) including mining industry-specific indicators; and
- AEM-specific indicators.

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

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

Presentation of data: Unless otherwise specified, all monetary values are expressed in US dollars, and all measurements are in metric units.

Reporting assurance: We continue to report in accordance with the GRI's G3.1 sustainability reporting guidelines to a self-declared A level. The GRI's Technical Protocols, Indicator Protocols, and Mining and Metals Sector Supplement were used to further guide the development of AEM's report.

Our 2013 CSR Report has not been verified by an independent third party.




Objectives

2013 Performance

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

In 2013, AEM made progress on improving our overall SD performance. We achieved key environmental, economic, human resources and community objectives.

The tables below show the 2013 performance against our 2013 targets and present our targets for 2014. Although our Towards Sustainable Mining (TSM) results are much the same as last year's, they show strong performance in the areas of Crisis Management and Preparedness, Tailings Management, Health and Safety, as well as the need for improvement in the areas of Energy Management and Biodiversity Conservation. We continue to strive for our aggressive goal of Level A in all TSM protocols at all of our operating divisions. We have also chosen to integrate the TSM protocols into our Responsible Mining Management System (RMMS) to ensure that the leading industry best practices are integrated into our AEM everyday practices and to minimise duplication of efforts. In 2014, we will undergo an internal audit of our TSM performance in preparation for our 2015 external audit. As we move into 2014, we will continue to measure our performance against the leading global standards of our industry and against the core values of our Company.

		2011 Performance	2012 Performance	2013 Performance	2014 Target*
 Health and Safety	Lost-Time Accident Frequency	3.21	2.44	1.70	2.07
	Fresh Water Use Intensity (m ³ /tonne of ore milled)	0.40	0.38	0.43	0.39
 Environment	Environmental Incidents	No category 3, 4 or 5 incidents	No category 3, 4 or 5 incidents	No category 3, 4 or 5 incidents	Report 100% of spills
	GHG Emission Intensity (CO ₂ /tonne of ore processed)	0.024	0.029	0.029	0.026
 Social Responsibility	Towards Sustainable Mining	Self-assessment completed	Integrated into RMMS planning	Integrated into RMMS planning	To achieve a Level A in each protocol

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

Health and Safety Objective	2011 Performance	2012 Performance	2013 Performance																																																												
Reduce combined lost-time accident (LTA) frequency for all AEM employees and contractors at all operating mines.	<p>Combined LTA frequency was 3.21 which was lower than in 2010. 2011 saw the improved operational consistency at some of our newer mines, lending itself to lower turnover rates and more established procedures with respect to induction and safety training programs.</p>	<p>Combined LTA frequency was 2.44, substantially better than our target rate of 3.3 – and a 24% reduction from last year’s combined LTA of 3.21. The 2012 figure reflects a total of 151 accidents that resulted in either lost time or assignment to light duty while the employee fully recovered. This compares to 197 similar accidents in 2011 and 163 similar accidents in 2010.</p>	<p>Combined LTA frequency was 1.70, substantially better than our target rate of 2.8 – and a 30% reduction from last year’s combined LTA of 2.44. The 2013 figure reflects a total of 123 accidents that resulted in either lost time or assignment to light duty while the employee fully recovered. This compares to 151, 197 and 163 similar accidents in 2012, 2011 and 2010 respectively.</p>																																																												
Achieve a combined LTA frequency at each of our mining operations that is below the industry average in that region.	<p>Combined LTA frequency for employees and contractors at each mine was as follows:</p> <table border="1"> <tr><td>Lapa</td><td>6.17</td></tr> <tr><td>Goldex</td><td>1.93</td></tr> <tr><td>LaRonde</td><td>4.2</td></tr> <tr><td>Kittila</td><td>3.94</td></tr> <tr><td>Pinos Altos</td><td>0.95</td></tr> <tr><td>Meadowbank</td><td>5.16</td></tr> <tr><td>Exploration</td><td>5.26</td></tr> <tr><td>Regional Services</td><td>0</td></tr> <tr><td>Head Office</td><td>0</td></tr> <tr><td>AEM combined</td><td>3.21</td></tr> </table> <p>Average combined LTA frequency for the metal mining industry in Quebec in 2011 was 4.2.</p>	Lapa	6.17	Goldex	1.93	LaRonde	4.2	Kittila	3.94	Pinos Altos	0.95	Meadowbank	5.16	Exploration	5.26	Regional Services	0	Head Office	0	AEM combined	3.21	<p>Combined LTA frequency for employees and contractors at each mine was as follows:</p> <table border="1"> <tr><td>Lapa</td><td>7.89</td></tr> <tr><td>Goldex</td><td>5.2</td></tr> <tr><td>LaRonde</td><td>2.3</td></tr> <tr><td>Kittila</td><td>2.62</td></tr> <tr><td>Pinos Altos</td><td>1.02</td></tr> <tr><td>Meadowbank</td><td>3.48</td></tr> <tr><td>Exploration</td><td>1.58</td></tr> <tr><td>Regional Services</td><td>0</td></tr> <tr><td>Head Office</td><td>0</td></tr> <tr><td>AEM combined</td><td>2.44</td></tr> </table> <p>Average combined LTA frequency for the metal mining industry in Quebec in 2012 was 4.4.</p>	Lapa	7.89	Goldex	5.2	LaRonde	2.3	Kittila	2.62	Pinos Altos	1.02	Meadowbank	3.48	Exploration	1.58	Regional Services	0	Head Office	0	AEM combined	2.44	<p>Combined LTA frequency for employees and contractors at each mine was as follows:</p> <table border="1"> <tr><td>Lapa</td><td>3.92</td></tr> <tr><td>Goldex</td><td>4.49</td></tr> <tr><td>LaRonde</td><td>2.23</td></tr> <tr><td>Kittila</td><td>2.65</td></tr> <tr><td>Pinos Altos</td><td>0.98</td></tr> <tr><td>Meadowbank</td><td>1.93</td></tr> <tr><td>Exploration</td><td>1.08</td></tr> <tr><td>Regional Services</td><td>0</td></tr> <tr><td>Head Office</td><td>0</td></tr> <tr><td>AEM combined</td><td>1.70</td></tr> </table> <p>Average combined LTA frequency for the metal mining industry in Quebec in 2013 was 4.2.</p>	Lapa	3.92	Goldex	4.49	LaRonde	2.23	Kittila	2.65	Pinos Altos	0.98	Meadowbank	1.93	Exploration	1.08	Regional Services	0	Head Office	0	AEM combined	1.70
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Implement the Supervisory Formula Program, including the daily use of work cards, at all operations.	<p>The implementation of the Supervisory Formula has been completed in each division at Agnico Eagle and all employees are using the system daily.</p>	<p>Continued to improve the application of the Supervisory Formula by conducting site audits to ensure each site is properly applying our Health and Safety system in their daily activities.</p>	<p>The Supervisory Formula Program including daily work cards has been implemented at all operations, including developing projects.</p>																																																												

Environmental Objective	2011 Performance	2012 Performance	2013 Performance
No fines or penalties imposed for environmental failures at any of our mines.	No fines or penalties in 2011.	No fines or penalties in 2012.	No fines or penalties in 2013.
<p>No category 3, 4 or 5 environmental incidents.</p> <p><i>A category 3 incident causes moderate, reversible environmental impact, with short-term effect, and requires moderate remediation.</i></p> <p><i>A category 4 incident causes serious environmental impact, with medium-term effect, and requires significant remediation.</i></p> <p><i>A category 5 incident causes disastrous environmental impact, with long-term effect, and requires major remediation.</i></p>	No category 3, 4 or 5 environmental incidents.	No category 3, 4 or 5 environmental incidents.	One category 3 incident was reported at one of our exploration projects in Finland when someone committed an act of vandalism while stealing fuel from storage tanks. Approximately 700 litres of fuel was spilled in the event. The area was subsequently cleaned up.

Environmental Objective	2011 Performance	2012 Performance	2013 Performance
<p>Maximum of 20 regulatory non-compliance incidents.</p> <p><i>A non-compliance incident refers to any specific measurement that does not meet our compliance requirement; for example, exceeding maximum total suspended solids on a given day.</i></p>	<p>One non-compliance event. Goldex exceeded the total suspended solids (TSS) allowed in the effluent of the Goldex south auxiliary tailings pond.</p>		<p>In 2013, three notices of infraction were received by the Company. Laronde received an infraction notice for tailings line puncture (Dec 2013) The area was cleaned up within hours but an infraction notice was still issued. Meadowbank received an infraction notice and currently under investigation by the Department of Fisheries and Oceans (DFO) and Environment Canada for a seepage event from the Waste Rock Pile. Goldex received an infraction notice was received for an exceedance of the C10-C50 parameter at the effluent of the auxiliary pond. The effluent was resampled and the parameter was compliant.</p>
<p>Develop a formal environmental management system (EMS) consistent with the ISO 14001 international standards at each minesite.</p>	<p>In 2011 we implemented the Intelx Health & Safety, Environmental Incident and Document Control modules at all of our divisions. We are currently in the process of implementing the Training module and will continue to implement the other modules such as Inspection and Safety Meeting modules at each of our divisions in 2012.</p>	<p>In 2012, work started on the development and implementation of an integrated Health, Safety, Environment and Social Acceptability Management System. This development and implementation will stretch until 2015.</p>	<p>In 2013, the following components of the system were implemented:</p> <ul style="list-style-type: none"> • Risk Assessment (to be completed in 2014) • Documentation Control • Stakeholders mapping

Environmental Objective	2011 Performance	2012 Performance	2013 Performance
Environmental audits: Complete internal environmental audits at operating mines.	An environmental audit was carried out at Meadowbank in 2011. Internal cyanide management audits were carried out at the Kittila, Pinos Altos and Mascota, and Meadowbank sites.	No environmental audits were carried out in 2012, as work was focused on the development of the integrated Health, Safety, Environment and Social Acceptability Management System. A gap analysis will be carried out at the beginning of 2013 and audits within the framework of the system will start again in 2014.	Internal compliance audits were carried out at the Quebec mines
Energy use: Implement energy management committees at each mine.	Was not fully implemented but template for implementation was prepared.	Energy management and energy management committees are being integrated into the RMMS.	Energy management was integrated into the RMMS but gaps still exist to fulfill the requirements of the TSM protocol
Greenhouse gas emission intensity <i>(Tonnes of CO₂ equivalent per tonne milled)</i>	0.024	0.029	0.029
Fresh water use intensity <i>(Water consumption from all sources in cubic metres per tonne of ore milled)</i>	0.40 m ³ In 2011, our fresh water use intensity was 0.40 cubic metres per tonne of ore milled, an improvement from 0.51 cubic metres per tonne of ore milled in 2010. Moving forward, AEM feels it is more relevant to the business to set water management targets as opposed to a numerical target tied to tonnage, which fluctuates. As such, our water management target for 2012 is for each site to have an up-to-date water balance.	0.38 m ³ Our withdrawal and use of fresh water from all sources was 0.39 cubic metres per tonne of ore milled, down from 0.40 cubic metres per tonne of ore milled in 2011, which represents a 2.5% reduction.	0.43 m ³ Our withdrawal and use of fresh water from all sources was 0.43 cubic metres per tonne of ore milled, up from 0.38 cubic metres per tonne of ore milled in 2012, which represents a 13% increase.
Waste management: Implement five-year waste management plans at each operation to manage waste rock, tailings and other industrial waste.	Life of mine waste management plans are updated on a yearly basis.	The waste management plans will be included in the integrated RMMS.	The waste management plans have been included in the RMMS.

Environmental Objective	2011 Performance	2012 Performance	2013 Performance
<p>Closure plans:</p> <p>Update current mine closure and reclamation plans at each AEM mine. The plans will include calculations of closure liability associated with each site.</p>	<p>Closure plans are reviewed on a yearly basis. In 2011, zero ban renew of the Kittila and Pinos Altos closure plans were done.</p>	<p>Updated closure plans for the LaRonde and Goldex mines were submitted to the Ministry of Natural Resources and Fauna. The closure plans for the Bousquet and Lapa sites were approved.</p>	<p>Closure costs for the Meadowbank, Pinos Altos and Mascota sites were revised.</p>
<p>Effluent discharge intensity (Total effluent discharge from all sources in cubic metres per tonne of ore milled)</p>	<p>0.64 m³</p> <p>The effluent discharge intensity decreased from 0.98 cubic metres per tonne of ore milled in 2010 to 0.64 in 2011, a 35% reduction.</p>	<p>0.58 m³</p> <p>The effluent discharge intensity decreased from 0.64 cubic metres per tonne of ore milled in 2011 to 0.58 cubic metres in 2012, a 9% decrease.</p>	<p>0.74 m³</p> <p>The effluent discharge intensity increased from 0.58 cubic metres per tonne of ore milled in 2012 to 0.74 cubic metres in 2013, a 27% increase.</p>

Social Responsibility and Community Engagement Objective	2011 Performance	2012 Performance	2013 Performance
<p>Towards Sustainable Mining:</p> <p>Develop and implement systems at all mines to enable AEM to achieve a Level A self-assessment on all four (now six) of the Mining Association of Canada's TSM performance indicators.</p>	<p>AEM continues towards its goal of a Level A in all protocols. In 2011 we carried out a gap analysis at each site and in 2012 will continue to create our action plan based on our findings to improve our performance in the coming years.</p>	<p>In 2012, we continued to train all of our divisions on the implementation of the TSM Initiative. Our self-assessment of how we currently rate against the TSM indicators is presented in the Performance Data section of this report.</p>	<p>In 2013, we continued to train all of our divisions on the implementation of the TSM initiative. An internal Gap Analysis was conducted at each site and the results are presented in the performance data section of this report.</p>
<p>Each mine has a community engagement plan, which is unique to the setting and updated annually.</p> <p>Our 2010 objective was to continue to implement these community engagement plans at each mine.</p>	<p>Each mine continued to implement its community engagement plan in 2011 and will continue the process into 2012.</p>	<p>Each mine continued to implement its community engagement plan in 2012 with the help of newly developed tools to better picture the needs.</p>	<p>Each mine continued to implement its community engagement plan in 2013. Tools for further development and monitoring have been included in RMMS.</p>

**Social Responsibility
and Community
Engagement Objective**
2011 Performance
2012 Performance
2013 Performance

Continue operation of the Community Liaison Committee at each site.

The Committee operated regularly in Baker Lake throughout 2011. In Rankin Inlet, the terms of reference were established for the Community Liaison Committee in late 2011 and the inaugural meeting is scheduled for early 2012.

The Committee operated regularly in Baker Lake throughout 2012. In Rankin Inlet, the Community Liaison Committee held two meetings and will be re-established in 2013 when there is a final picture of the project; in the interim, a liaison coordinator has been established.

Community liaison committees are fully functional at the LaRonde, Kittila and Meadowbank sites and we have implementation scheduled for our remaining sites in 2014.

Objectives

Health and Safety



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

To achieve a safe and healthy workplace we:

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

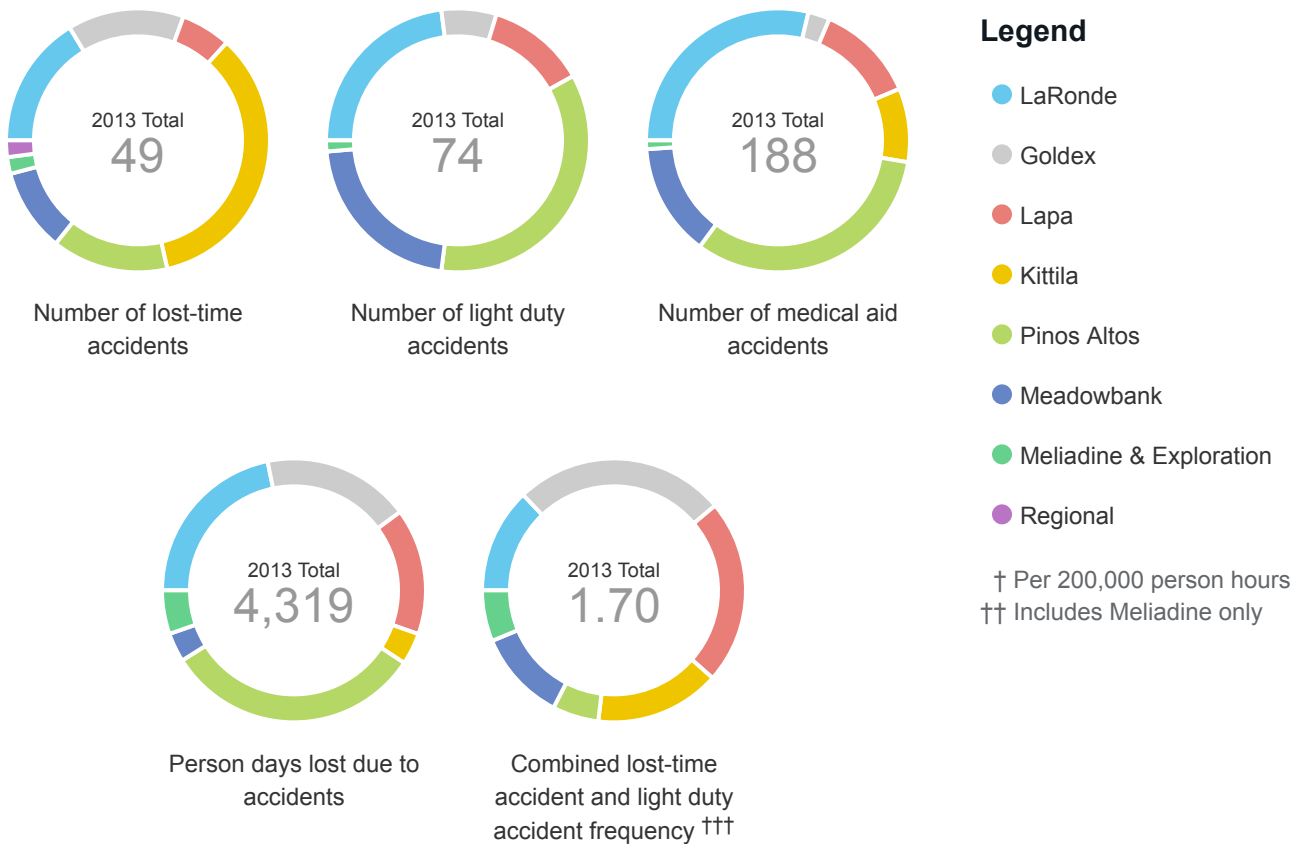
Our overall health and safety performance improved during the year. We achieved a combined lost-time accident (LTA) frequency of 1.70 substantially better than our target rate of 2.8 – and a 30% reduction from last year’s combined LTA of 2.44. The 2013 figure reflects a total of 123 accidents that resulted in either lost time or assignment to light duty while the employee fully recovered. This compares to 151, 197 and 163 similar accidents in 2012, 2011 and 2010 respectively.

This is the lowest combined LTA rate we have ever achieved, and to do so in the same year we set record levels of production is a remarkable outcome.

During the year, we also provided extensive health and safety training to all supervisory levels and to our employees. We use the “supervisory formula” and its main tool – the work card – which engages everyone in looking after their own safety, and that of the people around them. It also encourages safety planning discussions and follow-ups. Everyone, from the directors to the

superintendents, supervisors and miners at all of our operating divisions, has been trained to use the supervisory formula.

We are committed to maintaining the highest health and safety standards possible. Our long-term goal is to strengthen our health and safety culture with more individual accountability and leadership to reach the ultimate goal of a workplace with zero accidents. For 2014, our corporate objective is 2.07 – which is the combined LTA rate averaging the best two of the last three years’ performance. We will focus on continuously improving our safety performance. A key objective of 2013 was to select leading indicators (in addition to our existing lagging indicator, LTA) that would demonstrate a consistent improvement in AEM’s safety management program. The following indicators were selected: hours of safety training provided, time to complete corrective actions after an incident and reporting of near-miss. In 2014, data on these indicators will be collected to measure performance.



Health and Safety Recognitions

In 2013, the Quebec Mining Association (“AMQ”) also acknowledged Agnico Eagle’s strong performance in the area of Health and Safety, by awarding to Goldex the O’Connell trophy in the category of combined performance and improvements for an underground operation with less than 400,000 hours worked and to Laronde for an underground operation with 400,000 hours worked, or more.

The Quebec Mining Association also recognized 24 supervisors from Agnico Eagle's LaRonde, Lapa and Goldex mines for achieving 50,000 hours and more without any compensable accidents on their work teams during the period from July 1, 2012 to June 30, 2013.

Each of the Company's mining operations has its own Emergency Response Plan and has personnel trained to respond to safety, fire and environmental emergencies. Each mine also maintains the appropriate response equipment. In Mexico, the Company's emergency response team was called by local authorities on several occasions to help in emergency situations outside the minesite. In 2013, the corporate crisis management plan was updated to align with industry best practices and TSM requirements.

The Pinos Altos mine won the Silver Helmet award at the 2013 Annual Safety Contest of the Mexican Chamber of Mines, for maintaining the best safety statistics for underground mines in Mexico with more than 500 workers during 2012. In 2013 the Pinos Altos Mine Rescue Team won the "Underground Mine Rescue" and the "BG-4 Breathing Apparatus" events during the 2013 National Mexican Mine Rescue Competition.

In May 2013, personnel from five of Quebec mines competed in mine rescue competitions. The Goldex Mine Rescue team won for their second time the Provincial Mine Rescue competition. They also took home trophies for "Best operating team" and "Best performance during the mission".

Objectives

Environment

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

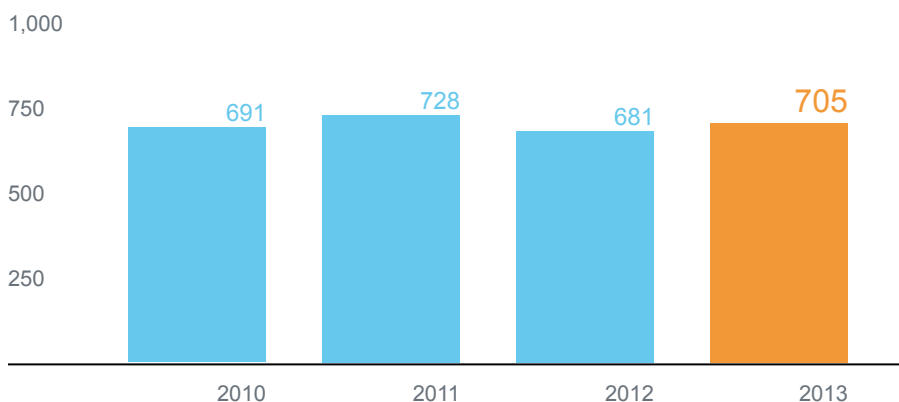
- Minimize the generation of waste and ensure its proper disposal;
- Manage tailings, waste rock and overburden to ensure environmental protection;
- Implement measures to conserve natural resources such as energy and water;
- Implement measures to reduce emissions to air, water and land, and to minimize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

Energy Use

Our total electricity consumption from the grid increased from 681 million kWh in 2012 to 705 kWh in 2013, an increase of approximately 3%. The increase was due largely to the startup of the Goldex operation (consumption at Goldex rose from 28 million kWh during the care and maintenance phase in 2012 to 54 million kWh in 2013). The overall amount of electricity generated and consumed at the Meadowbank and Pinos Altos/Mascota sites increased by 1%, from 147 GWh to 148 GWh (last year- 860 GWh in 2011 to 828 GWh in 2012.)

Electricity Consumed from the Grid

(in millions of kWh)



Diesel fuel consumption stayed relatively the same with a total of 101 million litres in 2013. The diesel fuel usage per tonne of ore milled however, decreased by 2% going from 8.20 litres per tonne in 2012 to 8.01 litres per tonne in 2013.

Natural gas usage increased by 21% in 2013 compared to 2012, in part because of the start-up of the mining operation at Goldex and deeper operations at Laronde and Lapa. At Pinos Altos, the primary energy source is electricity which is drawn from the national power grid. In Mexico, this power comes from a combination of hydroelectric and thermal power plants (mostly from burning diesel or other petroleum-based fuel). The Mascota heap leach operation, part of the Pinos Altos complex, is not connected to the grid and generates electricity with diesel fuel. In 2013, approximately 94% of the electrical power consumed at the Pinos Altos complex came from the utility grid system.

Meadowbank is a remote site with no connection to any power grid. The Nunavut region currently has no power distribution grid due to the vast size of the territory and the remoteness of its communities. Consequently, we generate our own power through the combustion of diesel fuel. In 2013, we generated 141 GWh of power on site from 35 million litres of diesel fuel shipped north during the annual sealift. Waste heat from the Meadowbank power plant is captured and used to heat buildings, including the maintenance buildings at the mine which, in this Arctic setting, is a considerable power savings. Aviation fuel is also used at Meadowbank. The amount of aviation fuel used increased from 255,075 in 2012 to 958,841 litres in 2013 litre. This is because with the replacement of the Convair aircraft with the Boeing 737 for shipping and worker transport, all the fuelling is done at Meadowbank while in the past fuelling was partly done at Churchill or other airports because of the smaller fuel tank of the Convair.

Greenhouse Gas Emissions

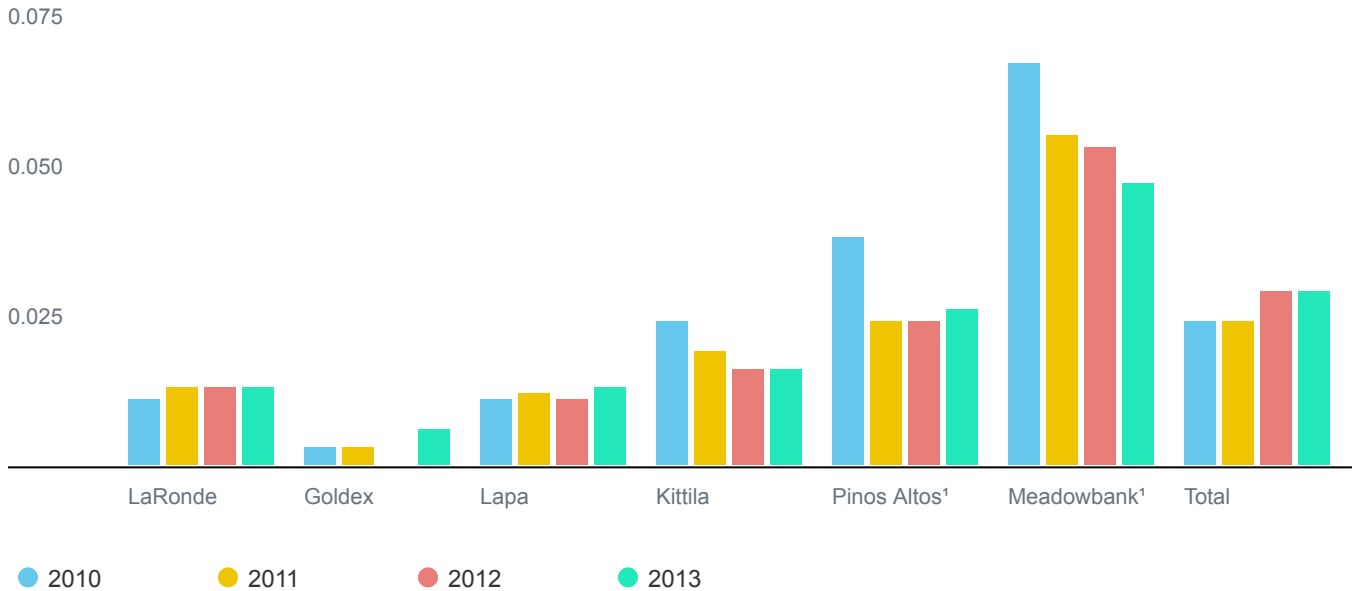
We calculate direct and indirect greenhouse gas (GHG) emissions on a monthly basis and report them annually to the Carbon Disclosure Project (CDP) both in tonnes of GHG and in intensity, which is the amount of emissions per unit of production.

In 2013, Agnico Eagle's total direct GHG emissions were calculated to be 297,138 tonnes of CO₂ from all sources – including fuel used to generate power, fuel for mining vehicles, natural gas for heating and explosives used in blasting at our operating mines. This compares to 302,265 in 2012. Our total indirect GHG emissions were 60,249 tonnes of CO₂ equivalent in 2013.

Total overall GHG emissions (direct and indirect) were 357,387 tonnes in 2013, a 1% decrease from 360,938 tonnes in 2012. In 2013, our average direct GHG emission intensity (the tonnes of CO₂ equivalent per tonne of ore processed) for all of our operating mines was 0.0285 tonnes compared to 0.0293 tonnes in 2012. This represents a 3% reduction in AEM's global average GHG emission intensity. Pinos Altos's GHG emission intensity remained the same, Lapa's increased by 14% because operations were taking place at a deeper level of the mine and LaRonde's increased by 4% for the same reason, Kittila's decreased by 16% reflecting the closure of the open pit, and

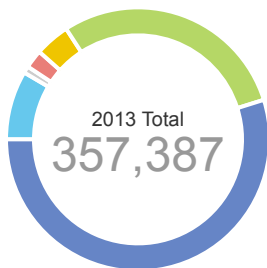
Meadowbank’s decreased by 3% because of the decrease in construction activities. Meadowbank has the highest intensity values as it has no alternative but to generate all of its own electrical power from diesel fuel. In Finland and Quebec, electrical power comes primarily from hydroelectric sources, which results in significantly lower GHG emissions and therefore lower intensity values.

Total Direct GHG Emission Intensity
(tonnes of CO₂ equivalent per tonne of ore processed)



1) 2010 is the first year that comparable GHG emissions data is available for the Pinos Altos and Meadowbank sites.

Note: all numbers have been rounded.



Total 2013 GHG direct and indirect emissions by site

Legend

- LaRonde
- Pinos Altos
- Goldex
- La India
- Lapa
- Meadowbank
- Kittila
- Meliadine & Exploration

Again in 2014, with the operating focus at each of our mines on cost control, energy management will play a key role. Energy reduction initiatives are often led by our employees, who regularly identify small incremental steps that can be taken to improve overall energy performance. Since many of our mines are fairly new, energy reduction through equipment renewal will be minimal – instead, any major improvements will likely be a result of employee energy management behaviour.

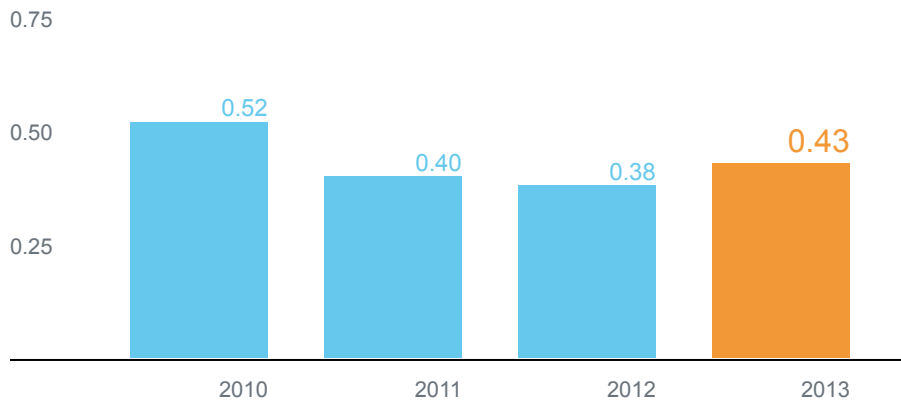
We focus on limiting our environmental impacts by using natural resources efficiently, by preventing or limiting pollution, and by reducing waste. Each of our operations is required to identify, analyze and manage its environmental risks and to work in a transparent manner involved with local stakeholders.

Water Management

Properly managing the water we use and the effluents we discharge is a significant component of the environmental management programs at all of our mining operations. In 2013, the total water consumed by AEM from all sources was 5.5 up 13% from 4.9 million cubic metres in 2012 the 13% increase was driven largely by the start-up of operation at Goldex and complications at Meadowbank with the reclaim barge being frozen into the reclaim pond, and the subsequent lack of access to reclaim water requiring a higher than normal amount of fresh water to be used. Our withdrawal and use of fresh water from all sources was 0.46 cubic metres per tonne of ore milled, up from from 0.38cubic metres per tonne of ore milled in 2012 which represents a 21% increase, reflecting the continuing effort placed on this issue.

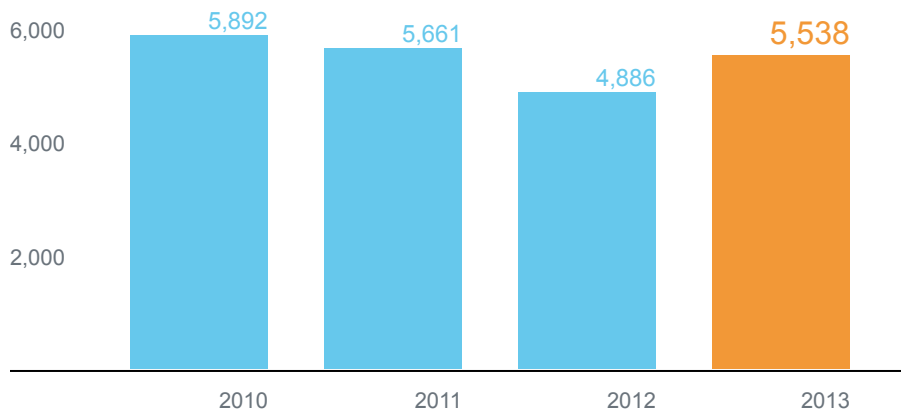
Fresh Water Use Intensity

(water consumption in cubic metres per tonne of ore milled)



Total volume of all freshwater used for all mine uses

(000s of m³)



Because each cubic metre of fresh water that is brought into our facilities needs to be managed and treated if needed, it makes good economic sense to maximize water recirculation and minimize the quantity of new water brought in. We also manage all surface water at our sites to divert “clean” or

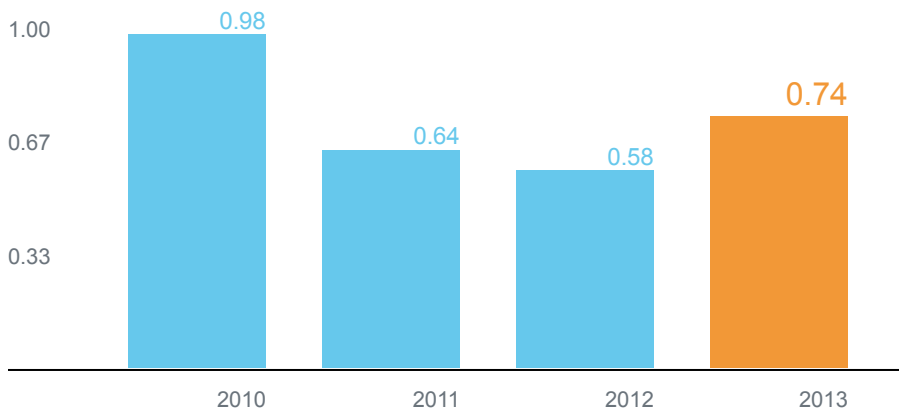
unimpacted precipitation runoff – snowmelt and rain – away from our work areas wherever practical. We collect precipitation runoff from impacted lands, monitor its quality and release or treat it as necessary to ensure protection of the surrounding aquatic environment. At our Pinos Altos mine, domestic waste water is collected on site, treated and then used for dust control along the roads in the open pit mine.

Effluent Discharge

The total volume of effluent discharged from all of our mining operations in 2013 was 10.8 million cubic metres up from 7.2 million cubic metres in 2012, a 50% increase due in part to the startup of Goldex and in part to the 18% increase at Kittila due to the site being granted special permission to treat and discharge more water from its NP tailings pond to lower the water level, 56% increase at Pinos Altos and 59% increase at Meadowbank due to the dewatering of the vault pit and portage attenuation pond. The water discharge intensity increased from 0.58 cubic metres per tonne of ore milled in 2012 to 0.74 cubic metres in 2013, a 27% increase in 2013, Laronde achieved record treatment volume at their biological treatment plant and decreased the water level in their tailings pond.

Effluent Discharge Intensity

(total effluent discharge in cubic metres per tonne milled)



None of the effluents discharged from our operations has a significant impact on the receiving waters. The LaRonde, Goldex and Pinos Altos mines discharge into small drainage channels, none of which are considered environmentally sensitive. They are not listed as protected waterbodies and do not contain protected species. The Lapa and Kittila mines discharge into wetland areas, none of which are considered environmentally sensitive nor are they listed as protected wetlands. The Meadowbank mine discharges into a relatively large lake which is not considered environmentally sensitive nor is it listed as a protected waterbody and it does not contain protected species.

All of our operations have stringent regulatory requirements that must be met at the point of effluent discharge. The requirements were established taking into account the capacity of the receiving water to receive these effluents without resulting in harm. Our operations also conduct regular

environmental effects monitoring programs in these receiving waterbodies and downstream to check for ecological effects from our effluent discharges. Based on all of these measures, we are confident that our effluent is not significantly affecting these receiving waters.

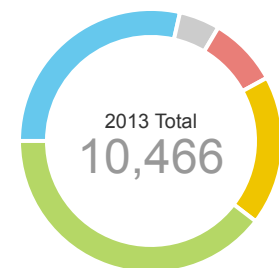
At all operations, both grey water and domestic sewage are collected and treated at sewage treatment facilities located on site. The type of sewage treatment processes used at each operation are summarized below:

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

Waste Management and Tailings

In 2013, AEM's mining operations generated 51.5 million tonnes of waste rock compared to 52.9 million tonnes in 2012 and 51.7 million tonnes in 2011. The slight decrease (3%) is as balance between the decrease in waste rock production at Kittila (-70%) and Pinos Altos (-14%), as the pits are getting deeper requiring less evacuation to reach the ore. A total of 10.5 million tonnes of mill tailings were produced in 2013, compared to 9.6 million tonnes in 2012 and 10.9 million tonnes in 2011. This increase is attributed to the fact that Goldex resumed operation in 2013. About 1.3 million tonnes of these tailings were returned underground as backfill in 2013, about the same quantity as in 2012.

Mining by its nature generates large volumes of waste rock and tailings – this is especially true for gold mining where ore grade is expressed in grams per tonne. Tailings are what remain of the ore after the gold and other valuable metals have been extracted. These tailings are typically silt-sized particles mixed with process water. Not all tailings and waste rock are hazardous. The waste rock and tailings at both Goldex and Pinos Altos, for example, have no acid-generating potential and no, or low, metal-leaching potential.



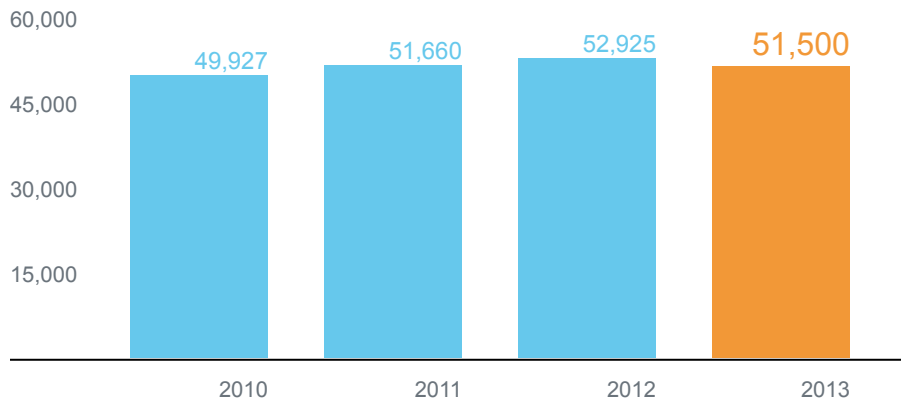
Mill tailings
(in 000s of cubic tonnes)

Legend

- | | |
|---|--|
| ● LaRonde | ● Pinos Altos |
| ● Goldex | ● La India |
| ● Lapa | ● Meadowban |
| ● Kittila | ● Meliadine & Exploratio |

Volume of Waste Rock Produced

(000s of m³)



Compliance

In 2013, three notices of infraction were received by the Company. Laronde received an infraction notice for a tailings line puncture incident (Dec 2013). The area was cleaned up within hours but an infraction notice was still issued. Meadowbank received an infraction notice and is currently under investigation by the Department of Fisheries and Oceans (DFO) and Environment Canada for a seepage event from the Waste Rock Pile. Goldex received an infraction notice for an exceedance of the C10-C50 parameter at the effluent of the auxiliary pond. The effluent was resampled and the parameter was compliant.

Kittila received an updated environmental permit in July 2013 and is appealing some of the requirements included in the permit, mostly to do with the timing of the new requirements to allow the mine to adapt.

The Creston Mascota site at Pinos Altos was audited in 2013 to obtain certification as an Industria Limpia (Clean Industry) by La Procuraduría Federal de Protección al Ambiente (the federal environmental protection agency in Mexico). This certification recognizes excellence in environmental management and has previously also been received by the Pinos Altos mine.

A Draft Environmental Impact Statement for the Meliadine project was prepared and submitted to the Nunavut Impact Review Board in January 2013.

At the end of 2013, the technical review meeting was held for the Meliadine project. AEM presented the results of the Environmental Impact Assessment (EIS) to the public and received feedback. According to standard schedules, the Nunavut Impact Review Board (NIRB) should provide their decision mid-January 2014. This decision will provide official direction for completing the Final EIS. AEM estimates the submission of the environmental permits mid-April 2014.

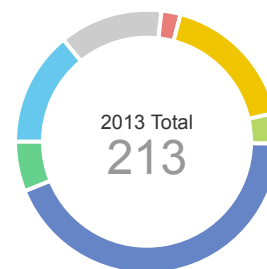
Incident Reporting

The best way to manage spills is through prevention and the first step to prevention is spill reporting. Our employees are encouraged to report all environmental spills and incidents, no matter how small, so they can be properly investigated and mitigation measures can be put in place to minimize damage and prevent any reoccurrence. In 2013, 213 Spills were reported, compared to 162 in 2012, 138 in 2011 and 135 reported spills in 2010. Of these incidents, 12 occurred outside our mine boundaries, A category 3 event occurred at one of our exploration projects in Finland when someone committed an act of vandalism while stealing fuel from storage tanks. Approximately 700 litres of fuel was spilled in the event. . This larger spill was quickly contained and the contaminated material was completely recovered, with no adverse effect on the surface water.

For spills inside our mine boundaries, 49 were in the “larger than 100 litres” category, out of which 15 were larger than 1,000 litres. This compares to 22 spills in the “larger than 100 litres” category during 2011 with 10 spills larger than 1,000 litres, and to 32 and 20 spills in 2011 and 26 and 11 spills in 2010 in these same categories. We believe these higher overall numbers are more an indication of our improved tracking and reporting capabilities than an actual increase in spill events. With the continued use of Intelx as a reporting tool in 2014, and the accompanying emphasis on reporting incidents to improve performance, we expect the number of reported spills to continue to increase in 2014.

Risk Management

In November 2013, seepage downstream of the mill building was detected at the Meadowbank mine. The seepage was detected early and could be controlled before it reached the environment (with the help of the cold temperatures, seepage froze in place in proximity to the mill) and an action plan was put in place to repair the faulty containment. This event gave rise to an action plan for a thorough review (in addition to routine inspections) of the containment structures in all the mills operated by AEM. This review, to be carried out in 2014, will result in an action plan to reduce the risk of seepage from mill containment structures.



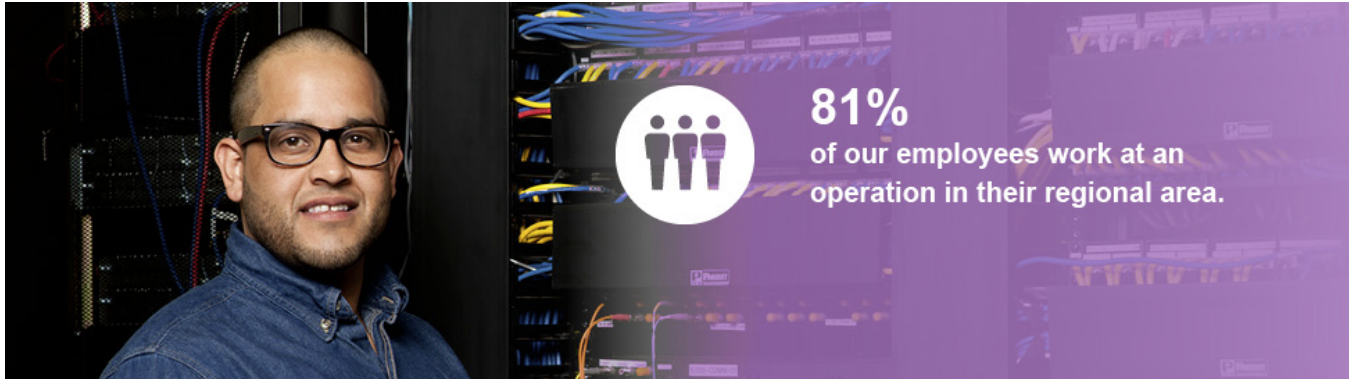
Total number of significant spills

Legend

- LaRonde
- Goldex
- Lapa
- Kittila
- Pinos Altos
- La India
- Meadowbank
- Meliadine & Exploration

Objectives

Human Resources



In a highly competitive and global workforce market, we strive to create a corporate culture in which every person is treated with dignity and respect, and people interact on the basis of collaboration, commitment and dedication to excellence.

We aim to maintain a safe and healthy workplace that is based on mutual respect, fairness and integrity.

To achieve this we:

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

In a highly competitive and global workforce market, we strive to create a corporate culture in which every person is treated with dignity and respect, and people interact on the basis of collaboration, commitment and dedication to excellence. We believe that this approach will help us attract and retain the best talent to respond to the technical, operational and reputational challenges we face as we grow our gold business and expand our workforce worldwide.

In 2013, Agnico Eagle employed a total of 4,025 people at all of our sites worldwide. That figure increases to 5,437 people if contractors are included, as compared to 5,723 in 2012, 5,049 people in 2011 and 4,782 people in 2010.

Training and Development Opportunities

As our labour force requirements grow in step with our business, we want to ensure our employees have the tools and skills they need to perform their jobs efficiently and safely and to achieve their full potential. We continued to provide training that enhances employees' personal and career development opportunities. We placed a particular emphasis on health and safety training, to ensure that our employees are achieving Agnico Eagle's workplace health and safety standards.

Maximizing Local Employment

At each of AEM's operations worldwide, our goal is to hire 100% of the workforce – including our management teams – directly from the local region in which the operation is located.



2013 Workforce Hired from the Local Community

(percent)



In Mexico, we have virtually achieved this goal. Today, more than 99.9% of AEM’s Pinos Altos workforce is from Mexico. The majority of people are hired from northern Mexico, with 65% of the workforce coming from the northern states of Chihuahua, Sonora and Sinaloa – most of whom are drawn directly from local communities within a 10-kilometre radius of the mine. In addition, the large majority of the Pinos Altos management team is Mexican.

In northern Canada, we are working with various local authorities to develop key training initiatives in support of our goal to eventually hire 100% of our workforce from the local region. We have modified our approach to focus on the creation of sustainable jobs and careers in mining for the Inuit population. We are working on the establishment of work readiness programs for new recruits and on career path planning for our Inuit workforce. This approach will be the basis for the training component in our ongoing IIBA (Inuit Impact and Benefit Agreement) negotiations for the Meliadine project. We have also made a substantial three-year investment in Mining Matters’ Aboriginal Education and Outreach Programs to help demonstrate to young people that there are interesting jobs, careers and a future for them in the north – and that the mining industry can be a key source of those opportunities. To address the shortage of skilled Inuit in the Kivalliq region, we are expanding our training capacity aimed at increasing the number of qualified candidates for apprenticeship programs for skilled workers, as well as offering training to assist with career progression. In 2013, with the support of the Kivalliq Mine Training Society, the Meadowbank team has developed a unique upward mobility training program for Inuit employees. This program provides training and career path opportunities for Inuit with limited education and work experience in the area of heavy equipment operators (HOE), Mill operators and Site services. Skills acquired through the program are easily transferable to other sectors of the Nunavut economy.

Currently, approximately 27% of our local mine workforce is drawn from Inuit of the Kivalliq region of

Nunavut. These employees come from all seven of the communities in the Kivalliq region – Arviat, Baker Lake, Chesterfield Inlet, Coral Harbour, Rankin Inlet, Repulse Bay and Whale Cove – and they are transported to the minesite at AEM’s expense in order to ensure employment opportunities are equally available across the region.

Objectives

Economic Value



In 2013, AEM made various payments in taxes and royalties to government at all levels totalling \$279 million.

2013 financial performance and operational highlights: Despite the big drop in the gold price and decline in our share price, Agnico Eagle had a good year from an operating perspective, which allowed us to increase our production guidance and lower our cost guidance during the third quarter of the year.

In addition to bringing Goldex and La India on-stream, our Meadowbank operation had an outstanding year and we continued to increase production from the deeper portion of the LaRonde mine.

We instituted several cost saving measures in 2013 in order to preserve our financial flexibility. We reduced our capital and operating costs by \$50 million and our exploration spending by \$20 million. Over the past 10 years our employees have helped us build and create a valuable business. This past year was no different. Not only did employees work with us to identify key cost saving measures, they made personal sacrifices which improved both our current and future financial flexibility.

Generating Employment and Economic Benefits

In 2013, AEM paid \$372 million in global employee compensation, (up from \$363 million in 2012). Through the payment of wages and benefits, we contributed approximately \$164 million to the economy of the Abitibi region of Quebec, Canada; approximately \$33 million to the economy of Finland; \$91 million to the economy of Nunavut, Canada; and approximately \$39 million to the economy of Chihuahua State in Mexico.

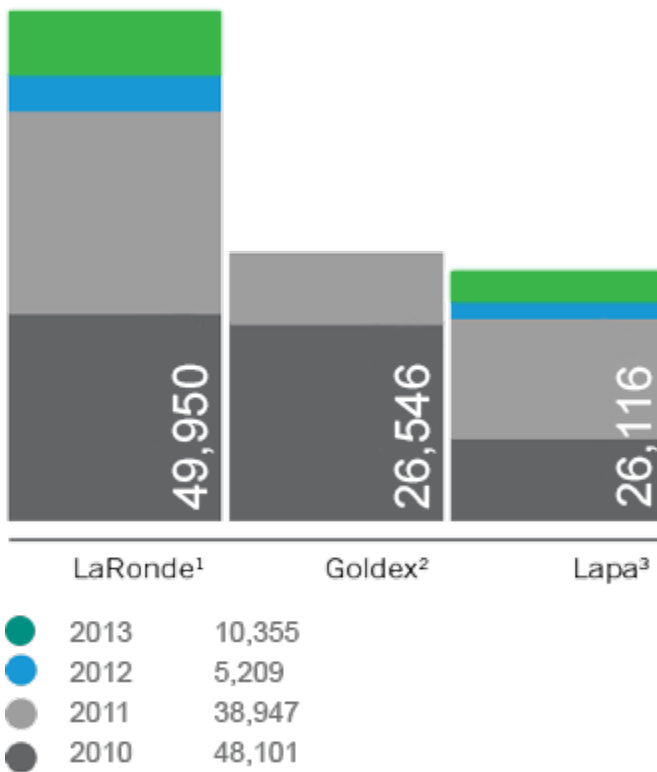
Tax and Royalty Payments

As part of our corporate commitment to sustainable development and corporate governance, in 2013 we increased our level of disclosure on tax payments to governments. We have provided details of AEM's tax payments by type, country and business unit in order to highlight our economic contribution to public finances. Although we do not measure the direct and indirect economic impact

of employee-wage spending on local goods and services, it is an important factor in Agnico Eagle's overall contribution to host economies.

In 2013, AEM made various payments in taxes and royalties to governments at all levels totalling \$279 million. We contributed approximately \$122 million in taxes and royalties in Quebec, Canada; approximately \$69 million in taxes and royalties to the economy of Nunavut, Canada; approximately \$18 million in taxes in Ontario; approximately \$26 million in taxes and royalties to the economy of Finland; and approximately \$44 million in taxes and royalties to the economy of Mexico. Tax contributions to governments comprised 17% of our gross revenue in 2013.

Quebec Royalties Paid on a Mine by Mine basis
(in 000's)

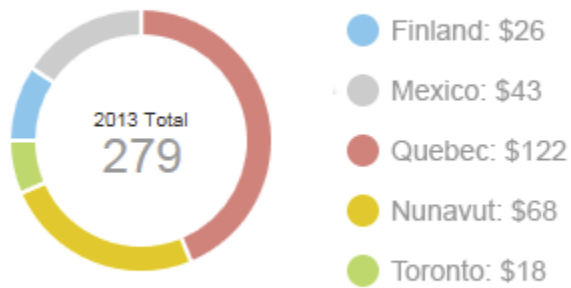


¹In 2012 tax credits deferred from the significant investment made in LaRonde extension project.

²Mining activities at Goldex were suspended in 2012.

³Applied tax from investment in Lapa processing infrastructure in 2012.

Payments to Governments (in 000's)



Agnico Eagle paid taxes totalling **\$279 million** to all levels of government.

Direct Economic Value Generated and Distributed (thousands of US\$)

Direct economic value generated		
a) Revenues		\$ 1,638,406
Economic value distributed		
b) Operating costs		
Exploration		\$ 44,236
Operations		924,927
Total		\$ 969,163
c) Employee wages and benefits		
Kittila		\$ 33,229
Pinos Altos		39,304
Lapa		24,914
Goldex		21,883
Laronde		94,123
Regional		23,508
Meadowbank		85,450
Meliadine		5,575
Exploration		2,545
Head Office		41,113

Total	\$	371,644
d) Payments to providers of capital	\$	198,388
e) Payments to government by country/region		
i) Current tax	\$	41,096
Finland	\$	14,496
Mexico		26,600
Quebec		—
Nunavut		—
Total	\$	41,096
ii) Government royalties and mining taxes	\$	12,508
Finland	\$	—
Mexico		2,153
Quebec ¹		10,355
LaRonde		6,076
Lapa		4,279
Nunavut		—
Total	\$	12,508
iii) Payroll taxes (paid by employer)	\$	32,213
Finland	\$	664
Mexico		7,369
Quebec		18,123
Nunavut		4,409
Head office		—
Total	\$	32,213
iv) Payroll taxes (paid by employee)	\$	124,596
Finland	\$	10,645
Mexico		7,725
Quebec		59,824
Nunavut		29,728
Head office		16,674
Total	\$	124,596
v) Municipal taxes	\$	3,187
Finland	\$	260

	Mexico		66
	Quebec		1,677
	Nunavut		1,184
	Total	\$	3,187
vi)	Rent (mining leases and claims)	\$	645
	Finland	\$	33
	Mexico		-
	Quebec		98
	Nunavut		514
	Total	\$	645
Total payments to government by country/region			
	Finland	\$	26,098
	Mexico		43,913
	Quebec		122,078
	Nunavut		68,888
	Head Office		18,322
	Total	\$	279,298
f)	Community investments – voluntary contributions and community investments	\$	2,715
Economic value retained			
g)	Retained earnings	\$	513,441

¹ Total government royalties and mining taxes for Quebec were \$5,209.

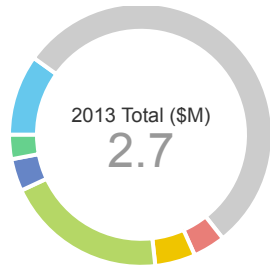
In 2012 tax credits deferred from the significant investment made in LaRonde extension project.

Mining activities at Goldex were suspended in 2012.

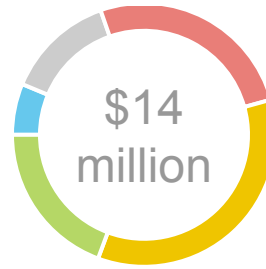
Applied tax from investment in Lapa processing infrastructure in 2012.

Buying Locally

Whenever and wherever we can, AEM gives preference to buying from local suppliers as a way of supporting our communities, stimulating the local economy, and minimizing the environmental impact of transporting materials from distant locations to our sites. However, local suppliers must still meet the same criteria that all potential suppliers must meet in order to do business with our Company. We continue to make steady progress toward increasing the overall level of local spending at our minesites. On average in 2013, approximately 60% of the purchases at each of our mines were made through local suppliers and contractors.



2013 community spending by category (percent)



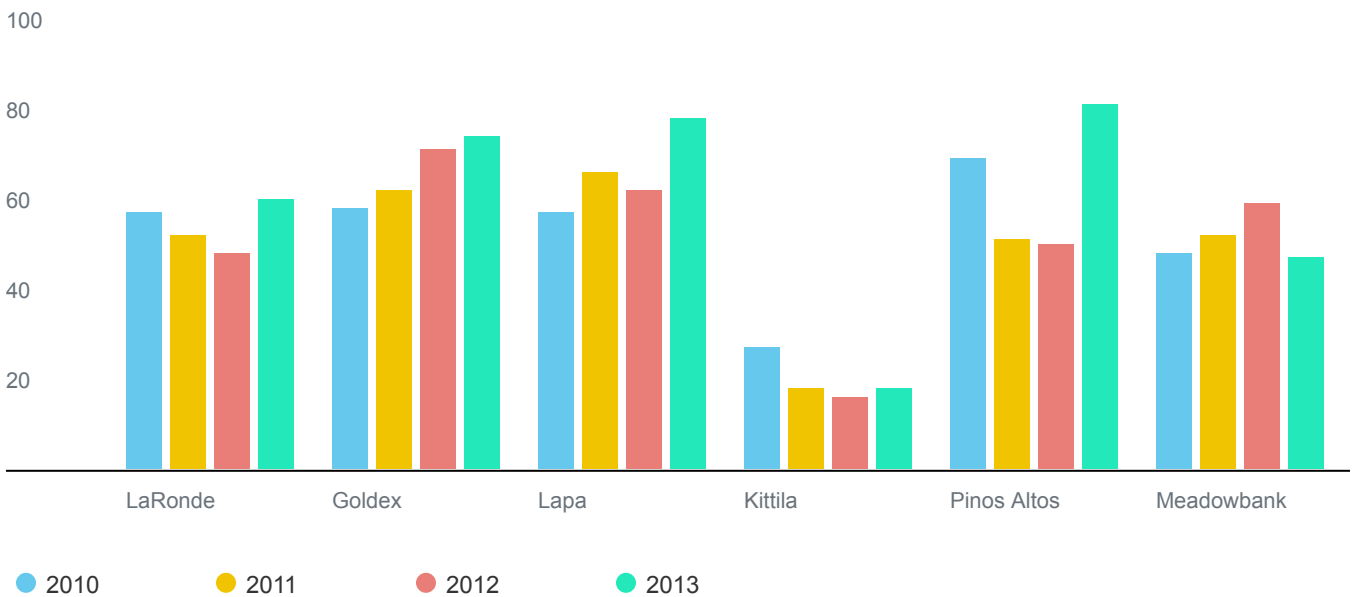
Since 2009, AEM has contributed over \$14 million to various organizations and events.

Legend

- LaRonde
- Lapa
- Pinos Altos
- Meadowbank
- Goldex
- Kittila
- La India
- Meliadine & Exploration

Proportion of Spending on Locally Based Suppliers

(percent)



Making a Difference in Our Communities

AEM contributes to the sustainability of our local communities by supporting various health, education and capacity building initiatives. In 2013, we took steps to re-evaluate our community investment program to ensure we are taking a strategic approach to these initiatives. Our goal is to provide both Agnico Eagle and our host communities with the maximum return on those investments. Moving forward, we want ensure our community investment program is more targeted and sustainable over the long term and that each community is able to reap the maximum benefits from economic development in their region, even after mining ceases.

Performance Data

Global Reporting Initiative

G3.1 Content Index

In compiling this report, we have measured our performance using the Sustainability Reporting Guidelines (G3.1) developed by the [Global Reporting Initiative \(GRI\)](#), including mining industry specific indicators incorporated in their [Mining and Metals Sector Supplement](#) by AEM-specific indicators that recognize our values and challenges, and by [Towards Sustainable Mining \(TSM\)](#) which strives to push Mining Association of Canada (MAC) members to meet society’s needs for minerals, metals and energy products in the most conscientious way possible, conducting all facets of business effectively, transparently and accountably.

We have tried to report in as quantifiable a manner as possible and on a facility-by-facility basis to allow our future trends to be measured against our past performance and objectives, and the performance of our industry peers. We have reported information for all of the Core GRI Indicators and for most of the Additional GRI Indicators for all elements. Where an indicator is not material due to the nature of our business, we have provided an explanation of why in our view this indicator is not material.

The following tables present AEM’s 2013 performance data for each of these indicators.

Aspect: AEM-Specific Organizational Indicators

AEM1	Number of inspections carried out							
	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
Total number of workplace Health & Safety Inspections carried out in 2013	157	181	52	25	1,937	467	138	2,957
Total number of workplace Environmental Inspections carried out in 2013	52	96	17	52	730	69	387	1,403

AEM2 Number of audits carried out

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
Total number of workplace internal Health & Safety audits carried out in 2013	71	2	13	42	12	191	1	332
Total number of workplace internal Environmental audits carried out in 2013	3	–	–	1	–	1	1	6
Total number of external Environmental audits	1	1	1	–	8	–	–	11

AEM3 Number of persons who received Health, Safety and Environment Induction Training in 2013

LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
556	450	201	1,264	236	650	363	3,720

AEM4 Number of formal safety meetings with employees carried out in 2013

LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
688	204	205	151	156	1,159	64	2,627

AEM5 Number of accident/incident analyses carried out in 2013 involving employees

LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
71	28	17	78	115	648	8	965

GRI Economic Performance Indicators

Aspect: Economic Performance

EC1 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments (thousands of US\$) (includes Exploration/Toronto/Vancouver)

Direct economic value generated		
a) Revenues	\$	1,638,406
Economic value distributed		
b) Operating costs		
Exploration	\$	44,236
Operations	\$	924,927
Total	\$	
c) Employee wages and benefits		
Kittila	\$	33,229
Pinos Altos	\$	39,304
Lapa	\$	24,914
Goldex	\$	21,883
LaRonde	\$	94,123
Regional	\$	23,508
Meadowbank	\$	85,450
Meliadine	\$	5,575
Exploration	\$	2,545
Head Office	\$	41,113
Total	\$	371,644
d) Payments to providers of capital	\$	198,388
e) Payments to government by country/region		
i) Current tax	\$	41,096
Kittila	\$	14,496
Pinos Altos	\$	26,600
Quebec		–
Nunavut		–

Total	\$	41,096
ii) Government royalties and mining taxes	\$	12,508
Kittila	\$	–
Pinos Altos	\$	2,153
Quebec	\$	10,355
Nunavut	\$	–
Total	\$	12,508
iii) Payroll taxes (paid by employer)	\$	32,213
Kittila	\$	664
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iv) Payroll taxes (paid by employee)	\$	124,596
Kittila	\$	10,645
Pinos Altos	\$	7,725
Quebec	\$	59,824
Nunavut	\$	29,728
Head office	\$	16,674
Total	\$	124,596
v) Municipal taxes	\$	3,187
Kittila	\$	260
Pinos Altos	\$	66
Quebec	\$	1,677
Nunavut	\$	1,184
Total	\$	3,187
vi) Sales taxes (non-refundable)	\$	65,053
Kittila	\$	–
Pinos Altos	\$	–
Quebec	\$	31,999
Nunavut	\$	33,053

Total	\$	65,053
vii) Rent (mining leases and claims)	\$	645
Kittila	\$	33
Pinos Altos		—
Quebec	\$	98
Nunavut	\$	514
Total	\$	645
Total payments to government by country/region		
Kittila	\$	26,098
Pinos Altos	\$	43,913
Quebec	\$	122,078
Nunavut	\$	68,888
Head Office	\$	18,322
Total	\$	279,298
f) Community investments — voluntary contributions and community investments	\$	2,715
Economic value retained		
g) Retained earnings	\$	(513,441)

Note: all numbers in thousands USD

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

AEM recognizes that changing environmental conditions have major implications for our economic viability, and for the social and cultural well-being of our world as a whole. We understand that taking a proactive approach to reducing future uncertainties starts by identifying and anticipating potential vulnerabilities at each of our operations. The major risks from climate change at our operations are summarized as follows: 1) water shortages at Pinos Altos – AEM has installed equipment to filter all mill tailings at Pinos Altos to reduce risk associated with chronic shortages of water at this geographic location; 2) Degradation of permafrost at Meadowbank – AEM has designed all facilities to accommodate degradation of permafrost at Meadowbank without compromising facility performance. From our risk analysis we see no other significant climate change related risks that could materially impact our mining operations. A Large portion of our operations draw power from hydroelectric sources; in that regard Meadowbank is a special case as it needs to generate its own power through the use of diesel. We see no approaching regulatory change that would put this operation at risk. In summary AEM sees no material financial implications from climate change at its six operating mine sites.

EC3 Coverage of the organization's defined benefit plan obligations

100% — AEM's defined benefit plan obligations are fully funded.

EC4 Significant financial assistance received from government

LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank
none	none	none	none	none	none

EC5 Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation (all amounts are represented in local currencies)

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos (pesos)	Meadowbank	Exploration
The ratio of the mine's entry level wage to the local minimum wage = EC5A/EC5B	2.9	3.1	2.8	1.2	2.9	1.9	2.1

Aspect: Market Performance
EC6 Policy, practices and proportion of spending on locally based suppliers at significant locations of operation

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Average
Proportion of mine spending (%) on supplies that goes to local suppliers – where local is defined as the geographic or economic region in which the mine is located, such as northern Quebec for the Abitibi, Chihuahua State for Pinos Altos, Lapland for Kittila, and Nunavut for Meadowbank (all amounts are represented in local currencies)	60%	74%	78%	18%	81%	47%	60%
Total purchases for division	\$248,658,913.06	\$65,870,060.26	\$52,243,091.43	€144,794,788.66	MXN\$139,237,209.84	\$363,412,892.00	
Total purchases for division in local region	\$148,497,050.97	\$48,463,560.66	\$40,837,684.18	€26,763,463.48	MXN\$112,782,139.97	\$171,871,273.00	

AEM6 Summary of Nunavut expenditures for 2013

	Meadowbank	Meliadine	Total
Total expenditures	363,412,892	54,104,899	417,517,791
NTI registered	100,517,774	22,266,645	122,784,419
Nunavut based	171,871,273	28,693,145	200,564,418
Northern based			–
Baker Lake based	81,882,110		81,882,110
Rankin Inlet based		26,324,597	26,324,597

EC7 Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operations

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Average
Proportion of the mine workforce (%) that is hired from the local region in which the mine is located, such as northern Quebec for the Abitibi, Chihuahua State for Pinos Altos, Lapland for Kittila, and Nunavut for Meadowbank (all numbers in local currencies)	100%	100%	100%	93%	67%	27%	83%	81%
Proportion of the mine management team (%) that is hired from the local region in which the mine is located, such as northern Quebec for the Abitibi, Chihuahua State for Pinos Altos, Lapland for Kittila, and Nunavut for Meadowbank	100%	100%	100%	50%	68%	0%	76%	71%

This indicator is not applicable for the exploration program, as the location of the exploration office frequently is different than the exploration site itself.

Aspect: Indirect Economic Impacts

EC8 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind or pro bono engagement

LaRonde	Every year AEM gives to the palliative care hospices in the surrounding areas (Amos, Val-d'Or and Rouyn).
Goldex	
Lapa	
Meadowbank	Cell service in Baker Lake continues, a project that we developed. Clean up of the lay-down area that had been used for years to store old metal barrels and obsolete equipment. This material was sent to a metal recycling facility in the south.

EC9 Understanding and describing significant indirect economic impacts, including the extent of impacts

The Kittila mine currently is the biggest employer in Finland north of the Arctic Circle. Located close to a ski resort, the Kittila area's local economy was almost exclusively dependent on the busy winter months, and most businesses shut down during the summer. AEM has provided a significant number of year-round employment opportunities and increased the overall level of economic activity in the area. Agnico Eagle has also brought much needed stimulus to the local economies around the Pinos Altos and Meadowbank mines. Agnico Eagle is a substantial economic contributor both directly through employment and local purchasing and indirectly through the "multiplier effect", stimulating employment in goods and services industries and improving the quality of living in the local communities around the mine.

GRI Environment Performance Indicators
Aspect: Materials

EN1 Materials used by weight and volume

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Total
Tonnes of ore milled	2,319,000	492,000	641,000	934,000	4,002,000	4,143,000	12,531,000
Tonnes of waste rock mined	656,706	138,815	168,011	663,379	17,987,362	31,885,865	51,500,138

* the Pinos Altos tonnage information includes the Mascota site

EN2 Percentage of materials used that are recycled input materials

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Total
Percentage of materials used that are recycled input materials	nil	nil	nil	nil	nil	nil	nil

Aspect: Energy
EN3 Direct energy consumption by primary energy source

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
a) How much diesel fuel was used to generate power at this minesite (litres)?	–	–	–	–	2,027,258	35,282,315	1,080,298	38,389,871
b) How much diesel fuel was used by mining equipment (heavy equipment and lighter vehicles) at this minesite (litres)?	4,864,532	940,024	1,551,215	174,112	17,359,145	34,604,602	1,988,872	61,482,502
c) Was diesel fuel used for any other purposes? If yes – what was this fuel used for?	–	–	–	Blasting	–	–	–	–
d) If yes – how much diesel fuel was used for this purpose (litres)?	–	–	–	–	152,613	–	–	152,613
e) Was mine air heated at this minesite – yes or no?	yes	yes	yes	yes	–	–	–	–
f) If yes – what fuel was used to heat mine air?	Natural Gas	Natural Gas	Natural Gas	Propane and heavy fuel oil	–	–	–	–
g) If yes – how much of this fuel was used to heat mine air? Natural gas (m ³)								
Propane (litres)	5,546,390	1,585,360	1,801,191	–	–	–	–	8,932,941
Diesel (litres)				152,150				152,150
h) How much gasoline was used at this minesite (litres)?	86,806	31,156	4,673	–	556,445	15,371	60,593	755,044

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
i) How much aviation fuel was used at this minesite (litres)?	-	-	-	-	48,000	958,841	42,275	1,049,116
j) How much propane (other than for mine air heating) was used at this minesite (litres)?	-	-	-	87,798	1,075	8,513	-	97,386
k) Was any other fuel used by the division and how much (litres)?	-	-	-	2,047,075	724,450	-	-	2,771,525
l) If yes – what type of fuel?								
n) Natural gas for heating buildings and air compressors (m ³)	1,757,814							1,757,814
o) Total quantity of diesel used at the mine (litres)	4,864,532	940,024	1,551,215	326,262	19,539,016	69,886,917	3,069,170	100,780,031

¹⁾ 1,000 litres is 1 m³.

EN4 Indirect energy consumption by primary source

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
Electricity purchased from an outside utility (kWh)	364,178,550	53,806,228	52,675,772	131,610,166	102,348,364	-	7,196	704,626,275

EN4a Electricity generation on site

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
Electricity generated on site (kWh)					6,314,198	141,499,250		147,813,448

EN5 Energy saved due to conservation and efficiency improvements – Initiatives implemented in 2013

Estimate of the amount of energy saved over the past year

LaRonde	48 DEL lamps (C1820-150W) to replace 48 MH 400W lamps: 134,369 kWh
Lapa	Automation of the underground ventilation (2013) Addition of capacitor in the electricity grid (2013)
Kittila	Heat recovery savings: 12,270,000 kWh Optimization of ventilation saved 1,285 MWh in 2013 and work is continuing: 1,285,000 kWh
Meadowbank	Generator efficiency improvement with new operation matrix at the Power House. Replace electrical heaters by glycol heaters. Replace fuel heaters (Frost fitter) by glycol heaters. Install an automatic “fuel tracking system” to follow our fuel consumption (not done yet). Estimate is difficult to calculate but we estimate up to \$500,000 in cost savings.

Aspect: Water
EN8 Total water withdrawal by source

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
1) Total amount of fresh water pumped by AEM from a lake, river, stream, or wetland and used at this minesite (m ³)	1,241,993	410,534	157,234	1,128,660	7,230	1,593,578	27,380	4,566,609
2) Total amount of groundwater (well water) pumped by AEM at this minesite (m ³)	4,321	–	2,489	48,629	613,824	–	7,721	676,984

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
3) Total amount of rainwater (and snowmelt) collected directly, stored and used by AEM at this minesite (m ³)	–	–	–	–	314,242	–	–	314,242
4) Total amount of municipal water (water taken from a town system) used by AEM at this minesite (m ³)	–	5,688	–	–	–	–	2,000	7,688
1+2+3+4) Total volume of all fresh water used for all mine uses (m ³)	1,246,314	416,222	159,723	1,177,289	935,296	1,593,578	9,721	5,538,143

EN9 Water sources significantly affected by withdrawal of water

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank
Where does the mine get its fresh water (name of lake, river, stream or groundwater)?	Lac Chassignol	Thompson River	Héva River	Seurujoki River	Victoria, El Castor, Pozo 2	Third Portage Lake
If a lake, what is the size of the lake in cubic metres?	>25,000,000	N/A	N/A	N/A	N/A	446,000,000
If a river or stream, what is the average flow in cubic metres per second?	–	6,200	0.42	4.02	N/A	–
Is the source designated as a protected area (nationally and/or internationally)?	no	no	no	no	no	no

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank
Is the water source recognized by professionals to be particularly sensitive (due to size, function, or status as a rare, threatened or endangered species habitat)?	no	no	no	no	no	no
Number of protected species in the waterbody					–	–
Is the waterbody a Ramsar-listed wetland or any other nationally and/or internationally proclaimed conservation area?	no	no	no	no	no	no
Does the withdrawal account for an average of 5 percent or more of the annual average volume of the waterbody?	no	no	no	no		no
Based on the above, is the water source significantly affected by the withdrawal?	no	no	no	no	no	no

EN10 Percentage and total volume of water recycled and reused

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration ¹	Total
Total volume of water recycled and reused at this minesite (cubic metres)	3,945,672	1,513,631	192,465	1,834,180	2,530,144	2,291,994	N/A	12,308,086
Percent recycle/reuse	318%	369%	122%	163%	271%	144%	0%	

¹⁾ For Exploration, there is some recycling of drill water; however, the data is not currently collected.

Aspect: Biodiversity

EN11 Location and size of land owned, leased, managed in or adjacent to protected areas and areas of high biodiversity values outside protected areas

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
At this minesite, is there any mine land owned, leased, managed in or adjacent to protected areas and areas of high biodiversity values outside protected areas. If yes – how many hectares of mine land are involved?	no	no	no	no	yes	no	no

Note:

AEM currently leases or owns 7,796 hectares adjacent or close to protected areas (ANPs). Mascota and Pinos Altos mines are adjacent but are considered outside the ANPs.

EN12 Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos ¹	Meadowbank	Exploration
At this minesite, is the mine having any significant impact on biodiversity?	no	no	no	no	no	no	no

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

MM1 Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
Total land area in hectares owned or leased that makes up the minesite	785	517	70	1,147	7,754	2,451	455,073	467,797
Total of this land area that is physically disturbed by mine activity (Ha)	706	330	12	1,147	504	2,451	193	5,343
Total of this land that has been reclaimed (Ha)	0	0	0	0	1	0	9	10

EN13 Habitats protected or restored

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
At this minesite, was there any mine-impacted land restored in 2013? If yes – please describe the restoration completed and the amount (Ha) of land restored.	no	no	no	no	3.5	no	no
If restored – whether the success of the restoration measure was/is approved by independent external professionals.							
Whether partnerships exist with third parties to protect or restore habitat distinct from restoration or protection measures overseen and implemented by the organization.	no	no	no	no	no	no	no

Note:
AEM contributes to a restoration fund for abandoned drill sites.

EN14 Strategies, current actions and future plans for managing impacts on biodiversity

The organization's strategy for achieving its policy on biodiversity management:

- Including integration of biodiversity considerations in analytical tools such as environmental site impact assessments
- Including methodology for establishing risk exposure to biodiversity
- Including setting specific targets and objectives
- Including monitoring processes
- Including public reporting
- The actions underway to manage biodiversity risks identified in EN11 and EN12 or plans to undertake such activities in the future

We do not have a specific policy on biodiversity conservation for AEM operations. We don't have specific targets and objectives and no specific methodology to assess risk exposure to biodiversity, but as part of the Towards Sustainable Mining Initiative we assess our performance with respect to biodiversity. The purpose of the biodiversity assessment protocol is to provide guidance to the member companies in completing their evaluation of biodiversity conservation management against TSM indicators. The assessment protocol sets out the general expectations of MAC for biodiversity conservation management by its member companies in support of the TSM Initiative.

1. When we are planning our project we are trying as much as possible to reduce our ecological footprint, in other words, to minimize our impact on biodiversity. That's how Lapa and Goldex were developed. So in that sense, we do have biodiversity consideration when we are assessing the impact of mining projects. We need to assess if we impact any endangered, protected or threatened species according to the provincial and federal list of endangered or threatened species, or if we have any impact on a wetland. Also, any impact on fauna habitat has to be assessed in surface area and financially compensated to the local government. Any impact on fish habitat must be assessed and compensated (to recreate a similar habitat of the same value somewhere else), so it has to be quantified and monitored to confirm that the works achieve our goal.
2. Second, we are trying to reclaim (through revegetation) any area of our property that does not need to be used anymore. In doing that, we recreate habitat for biodiversity (reptile, wildlife, birds and mammals). LaRonde and Pinos Altos did some reclamation works in 2010/11 that consisted of planting trees. These works are quantified in term of surface area revegetated.
3. Third, at our sites we are conducting environmental effect monitoring studies in receiving waters of the sites' effluent as part of the requirements of the federal Metal Mining Effluent Regulation. In that sense, we do monitor our effects on aquatic biodiversity and, when confirmed effects are observed, we are setting research efforts to find causes of these effects and implementing plans to reduce these effects when the causes have been identified and related to the mine.

MM2 The number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number (percentage) of those sites with plans in place

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Are there any lands on the minesite where a biodiversity management plan is required?	no	no	no	no	no	no	yes
Does a biodiversity plan exist for these sites?	N/A	N/A	N/A	N/A	N/A	N/A	yes

EN15 Number of IUCN red list species and national conservation list species with habitats in areas affected by operations, by level of extinction risk

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
	none	none	none	none	none	none	none

Aspect: Emissions, Effluents and Waste
EN16 Total direct and indirect greenhouse gas emissions by weight (tonnes)

	LaRonde	Goldex ²	Lapa	Kittila	Pinos Altos	Meadowbank	Total
Total Direct GHG Emissions	26,912	2,681	7,611	7,217	56,700	196,017	297,138
Total Indirect GHG Emissions	3,314	305	479	8,068	48,083	–	60,249
Total GHG Emissions	30,226	2,986	8,090	15,285	104,783	196,017	357,387
GHG Intensity ¹	0.013	0.006	0.013	0.016	0.026	0.047	0.029

¹ CO₂ equivalent per tonne of ore processed (tonne of CO₂ equivalent per tonne milled).

² Goldex was only in operation from September 2013 onward.

EN17 Other relevant indirect greenhouse gas emissions by weight

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

EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Were any initiatives taken at this minesite in 2013 to reduce greenhouse gas emissions – yes or no?	no	no	no	no	no	no	no
If yes – please describe the initiative and estimate the emission reduction achieved.	–	–	–	–	–	–	–

EN19 Emissions of ozone-depleting substances by weight

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
Ozone-depleting substances emitted in 2013	none	none	none	none	none	none	none	none

EN20 NO_x, SO_x, and other significant air emissions by type and weight

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
Estimated SO _x emissions from fuel (tonnes) in 2013	23	4	7	10	93	329	N/A	466
Estimated NO _x emissions from fuel (tonnes) in 2013	370	72	102	161	1,442	5,124	N/A	7,271

EN21 Total water discharge by quality and destination

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
a) Volume of final effluent discharged to the receiving environment at this minesite (m ³)	2,836,514	2,313,381	168,142	2,580,667	22,824	2,849,618	Varies by site	10,771,146
What type of effluent treatment is used at this mine?	Chemical + biological	N/A	Stripping ammonia tower; precipitation of suspended solid	Sedimentation	Activated sludge	Actiflow for TSS	Varies by site	N/A
b) Volume of sewage (black and grey water) discharged by the mine into a municipal sewage treatment system (m ³)	none	none	none	611	none	none	Varies by site	611

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
c) Volume of sewage (black and grey water) treated at the mine and discharged to the receiving environment (m ³)	14,996	7,300	2,489	6,547	–	–	Varies by site	31,332
d) What type of sewage treatment system is used at this minesite?	Septic field + treatment ponds	Septic field + UV treatment	Septic tank followed by biological treatment (Bionest) + UV treatment	Biological	Activated sludge	Rotary biological contactor	Varies by site	

EN22 Total weight of waste by type and disposal method

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
Paper and cardboard (tonnes)	65	18	8	6	4	–	–	100
Plastics (tonnes)	–	–	1	155	0	–	–	156
Metals (tonnes)	7,478	221	167	230	467	1,631	–	10,194
Wood (tonnes)	354	88	68	167	29	–	–	705
Used oil sent off site for treatment/disposal or used on site as fuel (litres)	259,344	32,410	32,650	45,000	321,151	313,156	240	1,003,951
Waste stored or disposed of on site	–	–	–	–	–	–	–	0
Contaminated soil stored on site in 2013	–	–	–	5	105	5,154	–	5,264
Contaminated soil treated on site at a landfarm in 2013	–	–	–	–	–	5,154	–	5,154
Domestic garbage sent to an on-site landfill facility (tonnes)	–	–	–	–	670	9,817	–	10,486
Domestic garbage sent to an on-site incinerator (tonnes)	–	–	–	–	–	566	–	566
Waste stored or disposed of off site	–	–	–	–	–	–	–	0

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
Domestic garbage sent to off-site municipal landfill (tonnes)	391	159	120	347	–	–	1	1,017
Contaminated soil shipped off site for disposal at a licensed facility (tonnes)	5	–	9	69	105	1	–	188
Total domestic waste generated in 2013	8,288	486	363	905	1,168	12,014	1	23,225
Hazardous wastes shipped by the mine to a licensed off-site disposal/recycling facility (tonnes)	276	51	60	–	100	177	–	664
Percentage of total domestic waste recycled at each site	95%	67%	67%	62%	43%	14%	0%	

MM3 Total amounts of overburden, rock, tailings and sludges presenting potential hazards

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Total
Overburden mined (tonnes)	–	–	–	–	–	–	–
Waste rock mined (total) (tonnes)	656,706	–	–	376,324	–	18,061,676	19,094,706
Waste rock returned underground as backfill (tonnes)	384,187	–	–	229,162	–	–	613,349
Waste rock used in tailings dam construction (tonnes) ¹	417,166	–	–	850,000	–	933,117	2,200,283
Waste rock used in other construction (tonnes)	710	–	–	25,117	–	8,090,707	8,116,534
Waste rock placed on surface waste rock piles (tonnes)	165,826	–	–	122,046	–	9,037,852	9,325,724

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Total
Mill tailings (total) (tonnes)	2,986,657	–	–	892,982	–	4,142,841	8,022,480
Mill tailings returned underground as backfill (tonnes)	567,967	–	–	192,715	–	–	760,682
Mill tailings placed in surface tailings containment (tonnes)	2,418,881	–	–	700,267	–	4,142,841	7,261,989

MM3a Total material mined, both hazardous and non-hazardous

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Total
Overburden (tonnes)	–	–	–	140,500	–	205,310	345,810
Tonnes of ore loaded onto heap leach pad	–	–	–	–	2,748,491	–	2,748,491
Total waste rock (tonnes)	656,706	60,172	248,894	663,379	17,987,362	31,885,865	51,502,378
Returned underground as backfill (tonnes)	384,187	135,140	258,062	286,452	508,983	–	1,572,824
Used in tailings dam construction (tonnes)	417,166	1,500	–	888,627	1,413,035	1,233,391	3,953,719
Used in other construction (tonnes)	710	5,000	–	250,225	–	11,081,844	11,337,779
Placed on surface waste rock piles (tonnes)	165,826	60,172	(9,168)	122,046	17,356,728	19,570,630	37,266,234
Total mill tailings (tonnes)	2,986,657	521,848	–	892,982	1,922,018	4,142,841	10,466,346
Returned underground as backfill (tonnes)	567,967	–	–	192,715	508,983	–	1,269,665

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Total
Percentage of tailings returned underground as backfill	24%	0%	0%	22%	26%	0%	25%
Placed in surface tailings containment (tonnes)	2,418,881	386,709	–	700,267	1,413,035	4,142,841	9,061,733

EN23 Total number and volume of significant spills

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
All spills	30	27	5	37	8	93	13	213
Number of spills inside the minesite boundary	29	27	5	36	8	83	13	201
Total volume of spills inside the minesite boundary (litres)	19,722	5,731	255	79,232	6,225	11,402	498	123,065
Average volume of spills inside the minesite boundary (litres)	640	212	73	2,201	778	150	28	4,081
Number of spills outside the minesite boundary	1	–	–	1	–	10	–	12
Total volume of spills outside the minesite boundary (litres)	4,200	–	–	700	–	1,760	–	6,660
Average volume of spills outside the minesite boundary (litres)	1,050	–	–	700	–	97	–	1,847

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
Spills > 100 litres	8	16	1	15	3	6	–	49
Number of spills inside the minesite boundary	8	16	1	14	3	4	–	46
Total volume of spills inside the minesite boundary (litres)	2,240	4,589	160	78,659	2,245	1,185	–	89,078
Average volume of spills inside the minesite boundary (litres)	288	287	40	5,619	748	198	–	7,181
Number of spills outside the minesite boundary	–	–	–	1	–	2	–	3
Total volume of spills outside the minesite boundary (litres)	–	–	–	700	–	500	–	1,200
Average volume of spills outside the minesite boundary (litres)	–	–	–	700	–	63	–	763
Spills > 1,000 litres	6	1	–	2	2	4	–	15
Number of spills inside the minesite boundary	5	1	–	2	2	3	–	13
Total volume of spills inside the minesite boundary (litres)	16,950	1,000	–	74,900	5,000	8,000	–	105,850

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Total
Average volume of spills inside the minesite boundary (litres)	2,494	–	–	37,450	2,500	1,250	–	43,694
Number of spills outside the minesite boundary	1	–	–	–	–	1	–	2
Total volume of spills outside the minesite boundary (litres)	4,200	–	–	–	–	1,000	–	5,200
Average volume of spills outside the minesite boundary (litres)	1,050	–	–	–	–	250	–	1,300
Percentage of these spills that affected area outside the mine boundary	–	–	–	–	–	–	–	–
Total volume of spills outside the mine boundary	–	–	–	–	–	–	–	–

EN24 Weight of transported, imported, exported or treated waste deemed hazardous under the Terms of the Basel Convention Annex I, II, III and IV, and transported waste internationally

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Did this minesite ship any hazardous waste outside the country in 2013 – yes or no?	no	no	no	no	no	no	no
If yes – what was shipped, to where and how much?	–	–	–	–	–	–	–

EN25 Identify size, protected status and biodiversity value of waterbodies and related habitats significantly affected by the reporting organization's discharges of water and runoff

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Where does the mine discharge its final effluent (name of lake, river, stream or wetland)?	Dornenan Creek	No name stream	Wetland	Wetland	La Bateria Stream and Concheño River	Third Portage Lake	Varies by site
If a lake, what is the size of the lake in cubic metres?	N/A	N/A	N/A	N/A	N/A	446,000,000	Varies by site
If a river or stream, what is the average flow in cubic metres per second?	2	N/A	N/A	N/A	N/A	N/A	Varies by site
Is the receiving waterbody designated as a protected area (nationally and internationally)?	no	no	no	no	N/A	no	Varies by site

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Is the receiving waterbody recognized by professionals to be particularly sensitive (due to size, function, or status as a rare, threatened or endangered species habitat)?	no	no	no	no	no	no	Varies by site
Number of protected species in the waterbody	0	N/A	N/A	N/A	N/A	N/A	Varies by site
Is the waterbody a Ramsar-listed wetland or any other nationally and/or internationally proclaimed conservation area?	no	no	no	no	no	no	Varies by site
Does the amount of effluent discharged into this waterbody account for an average of 5 percent or more of the annual average volume of the waterbody?	yes	no	no	no	no	no	Varies by site
Based on the above, is the waterbody significantly affected by the discharge?	yes	no	no	no	no	no	Varies by site

EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation

As a member of the World Gold Council, Agnico Eagle Mines is committed to ensuring ethical gold use.

EN27 Percentage of products sold and their packaging materials that are reclaimed by category

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

Note:

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

Aspect: Compliance
EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Was this mine charged in 2013 for any non-compliance events with environmental laws and regulations – yes or no?	yes	yes	no	no	no	yes	no
What was the total amount of fines or penalties levied against the mine in 2013 for non-compliance with environmental laws and regulations (US\$)?	–	–	–	–	–	–	–

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Was any action taken against this mine in 2013 for non-compliance events with environmental laws and regulations?	no	no	no	no	no	yes	no

EN29 Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.

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

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

EN30 Total environmental protection expenditures and investments by type (excluding capital)

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank
How much did this mine spend on environmental protection and management in 2013?	C\$4,167,028.00	C\$558,551.94	C\$934,847.00	€1,140,713	US\$2,524,097.30	C\$20,008,487.00
Environment management budget	C\$1,683,283.00	C\$228,951.94	C\$399,754.00	€6,935,487	US\$892,804.00	C\$3,617,187.00
Environment capital expenditures (Impoundment + infrastructures)	C\$2,483,745.00	C\$249,600.00	–	€5,088,184	US\$1,516,311.30	C\$15,665,842.00
How much did this mine spend on waste disposal, water treatment and remediation in 2013?	C\$5,991,353.00	C\$80,000.00	C\$371,003.00	€332,936	US\$114,982.00	C\$725,458.00

GRI Labour Practices and Decent Work Performance Indicators

LA1 Total workforce by employment type, employment contract and region

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration	Corporate and Administration	Total
Total number of employees (AEM, contractors, full time and temporary) working at this minesite in 2013	1,080	308	290	693	1,566	1,030	146	324	5,437
Total number of AEM employees working at this mine in 2013 (Q4)	808	216	198	425	1,179	775	102	322	4,025
AEM – full time employees (Q4)	808	211	198	400	1,179	672	99	309	3,876
AEM – part time employees (Q4)	18	5	1	25	–	103	3	13	168
Total number of contractor employees working at this mine in 2013 (Q4)	254	92	91	268	387	255	34	2	1,381

LA2 Total number and rate of employee turnover by age group, gender and region

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos ²	Meadowbank ¹	Exploration	Total
Total number of AEM employees leaving employment at this mine in all of 2013	63	15	40	28	142	211	48	547

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos ²	Meadowbank ¹	Exploration	Total
Breakdown of this number by gender (employees leaving)								
Female	5	2	–	1	21	149	7	185
Male	58	13	40	27	121	62	41	362
Breakdown of this number by age group (employees leaving)								
< 30 years old	9	1	5	4	64	82	19	184
30 to 50 years old	25	9	24	14	73	56	20	221
> 50 years old	29	5	11	10	5	73	9	142
Breakdown of this number by region (employees leaving)								
Number who are local employees (economic region in which the mine is located)	63	15	40	12	61	160	20	371

¹⁾ At the Meadowbank mine, we have a relatively high turnover rate among our employees coming from the local region around the mine. These are employees entering the wage economy for the first time and thus there is a large adjustment being made to their way of life. In most cases, the employee is having to cope with being away from family and with adjusting to an imposed daily work schedule. Most of the turnover is voluntary, and in many cases the employee leaving will later re-apply to come back to work.

²⁾ At Pinos Altos, we also have a relatively high rate of turnover due to the fact that there is a lot of competition for skilled labour among the mines in the area.

LA3 Benefits provided to full time employees that are not provided to temporary or part time employees, by major operations

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Are the following benefits offered to AEM full time employees – yes or no?							
Life insurance	yes	yes	yes	yes	Only SAEM	yes	Varies by site
Health care (additional to government provided health care)	yes	yes	yes	yes	yes	yes	yes
Disability/invalidity coverage	yes	yes	yes	yes	Provided by government	yes	yes
Maternity/paternity leave	yes	yes	yes	yes	Provided by government	yes	yes
Retirement provision	yes	yes	yes	yes	Provided by government	yes	yes
Stock ownership	yes	yes	yes	yes	Salary only	yes	Varies by site
Are the following benefits offered to AEM temporary employees – yes or no?							
Life insurance	yes	yes	yes	yes	Only SAEM	no	Varies by site
Health care (additional to government provided health care)	yes	yes	yes	yes	yes	no	Varies by site
Disability/invalidity coverage	yes	yes	yes	yes	Provided by government	no	Varies by site
Maternity/paternity leave	no	no	no	yes	Provided by government	no	no
Retirement provision	no	no	no	yes	Provided by government	no	no
Stock ownership	yes	yes	yes	no	no	no	no

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Are the following benefits offered to AEM part time employees – yes or no?							
Life insurance	no	no	no	yes	Only SAEM	no	no
Health care	no	no	no	yes	yes	no	no
Disability/invalidity coverage	no	no	no	yes	Provided by government	no	no
Maternity/paternity leave	no	no	no	no	Provided by government	no	no
Retirement provision	no	no	no	yes	Provided by government	no	no
Stock ownership	no	no	no	no	no	no	no

LA4 Percentage of employees covered by collective bargaining agreements

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
What percentage of AEM employees are covered by a collective bargaining agreement at this minesite?	0%	0%	0%	99%	80%	0%	0%

Note:

At each of our mines, we have a collaboration committee consisting of employees from different areas of the mine who are elected to represent their co-workers. These representatives meet regularly with local mine management to discuss all issues of concern to employees including employment conditions, compensation, work schedules and procedures, equipment selection and grievances.

LA5 Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
At this minesite, typically how many weeks notice would be given to employees prior to a significant operational change that could substantially affect them?	4 weeks	4 weeks	4 weeks	2 weeks	3–5 weeks	4 weeks or based on seniority years	2–4 weeks

MM4 Number of strikes and lockouts exceeding one week's duration, by country

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Total number of strikes and lockouts that exceeded one week's duration during the reporting period, by country	nil	nil	nil	nil	nil	nil	nil

LA6 Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Does this mine have a formal Health and Safety Committee with labour and management representation?	yes	yes	yes	yes	yes	yes	yes
What proportion of the workforce is represented on this committee?	100%	100%	100%	100%	50%	100%	75%

LA7 Rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities by region

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos + La India	Meadowbank	Exploration	Total (includes regional 214,439 + Corporate 235,976)
Person hours worked	2,241,007	534,200	611,732	1,285,153	6,741,558	2,178,963	451,800	14,494,828
Number of fatalities	0	0	0	0	0	0	0	0
Number of lost-time accidents	8	7	3	17	7	5	1	49
Number of light duty assignments	17	5	9	–	26	16	1	74
Days lost (LTA)	597	683	257	168	410	53	228	2,396
Days lost (LDA)	344	98	413	–	964	101	3	1,923
Number of medical aid incidents	54	5	23	17	61	26	2	188
First aid	239	20	84	15	40	160	58	616
Reported	356	88	70	27	–	143	–	684
Incident	284	65	118	147	58	298	6	976
Total	958	190	307	223	192	648	68	2,586
Frequency (combined)	2.23	4.49	3.92	2.65	0.98	1.93	1.08	1.70

Note:

The global LTA and combined LTA frequency numbers are calculated with the total number of hours worked across the Company including corporate and administration man-hours not shown here.

LA8 Education, training, counselling, prevention and risk-control programs in place to assist workforce members, their families or community members regarding serious diseases

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
In 2013, did the mine provide training to assist workforce members prevent/manage serious disease – yes or no?	yes	yes	yes	yes	yes	yes	yes
If yes – was this training given to:							
Employees	yes	yes	yes	yes	yes	yes	yes
Employees' families	no	no	no	no	yes	no	no
Other members of the community	no	no	no	no	yes	no	no

LA9 Health and safety topics covered in formal agreements with trade unions

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Is Health and Safety covered in any formal agreement with trade unions at this mine in 2013 – yes or no?	no	no	no	no	no	no	no

LA10 Average hours of training per year per employee per employee category

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Total
Total person hours devoted to training personnel at the mine in 2013	29,472	3,093	6,139	4,355	44,775	6,214	94,048
Average hours of training = Total hours devoted to training/Total number of employees (in hours)	36	15	31	10	38	8	24

LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Did the mine offer internal skills training programs at the mine in 2013?	yes	yes	yes	yes	yes	yes	yes
Did the mine have any apprenticeship training programs in place in 2013?	yes	no	yes	yes	yes	yes	yes
If yes – how many apprenticeships were in place in 2013?	54	–	2	1	250	8	1
Did the mine offer any programs to help employees prepare for retirement in 2013 – yes or no?	yes	yes	yes	yes	no	yes	yes

LA12 Percentage of employees receiving regular performance and career development reviews

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
What percent of all employees at this mine received regular performance and career development reviews in 2013?	100%	32%	28%	76%	44%	33%	100%

LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Percentage of workforce at this mine who are male	95%	94%	97%	88%	87%	85%	73%
Percentage of workforce at this mine who are female	5%	6%	3%	12%	13%	15%	27%
< 30 years old	13%	7%	28%	19%	39%	23%	19%
30 to 50 years old	66%	65%	53%	58%	55%	49%	59%
> 50 years old	21%	29%	19%	23%	6%	27%	22%

LA14 Ratio of basic salary of men to women by employee category

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Ratio: Men's average salary/women's average salary	1.17	0.91	1.52	1.12	1.21	1.14	1.24

GRI Human Rights Performance Indicators

Aspect: Investment and Procurement Practices

HR1 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening

AEM will not conduct business in places of high political risk or places where there are high instances of human rights abuses. As such, we have not felt the need to apply human rights clauses or screening to past significant investment agreements. We will continue to mine only in places where the instances of human rights abuses are low and places of low political risk, and consequently, AEM does not have plans to implement a human rights screening process. However, we will take such measures should the need arise.

HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken

We expect all potential business partners to adhere to the same stringent set of values that AEM holds itself to (as outlined in our Code of Business Conduct and Ethics). In the induction process, all contractors must agree to the terms laid out in the code of conduct. We are currently working on an "AEM Code of Sustainable Conduct" in which human rights will be explicitly covered. Once implemented, the "AEM Code of Sustainable Conduct" will also be incorporated into the inductions for both employees and contractors.

HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees so trained

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Did this mine provide training to its employees in 2013 on human rights policies or cross-cultural awareness training – yes or no?	no	no	no	no	yes	no	yes
If yes – how many hours of training were provided?	–	–	–	–	1,649	–	Data not available
If yes – approximately what percentage of the workforce received this training?	–	–	–	–	13%	0%	90%

Aspect: Non-discrimination
HR4 Total number of incidents of discrimination and actions taken

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
In 2013, at this minesite were there any formal complaints of discrimination or harassment submitted by employees or contract employees – yes or no?	yes	no	no	yes	no	no	no
If yes – was the incident investigated and what was the outcome?	Yes: Disciplinary measure for the first event and sensibilization meetings for the second	–	–	Yes, resignation	–	–	–
How many incidents were investigated? (please list outcome)	2	–	–	2	0	–	–

Note:

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

Aspect: Freedom of Association and Collective Bargaining
HR5 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
	Not at risk	Not at risk	Not at risk	Not at risk	Not at risk	Not at risk	Not at risk

Note:

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

Aspect: Child Labour

HR6 Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
	Not at risk	Not at risk	Not at risk	Not at risk	Not at risk	Not at risk	Not at risk

Aspect: Forced and Compulsory Labour

HR7 Operations identified as having significant risk for incidents of forced labour or compulsory labour, and measures taken to contribute to the elimination of forced or compulsory labour

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
	Not at risk	Not at risk	Not at risk	Not at risk	Not at risk	Not at risk	Not at risk

Aspect: Security Practices

HR8 Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
At this mine, what percentage of the mine's security personnel have received training in human rights policies and cross-cultural awareness?	0%	0%	0%	0%	0%	0%	N/A

MM5 Total number of operations taking place in or adjacent to indigenous peoples' territories, and number and percentage of operations or sites where there are formal agreements with indigenous peoples' communities

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos ¹	Meadowbank ²	Exploration
Operation adjacent or on indigenous peoples' territory	no	no	no	no	no	yes	–
Formal agreements in place	no	no	no	no	no	yes	–

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

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

Aspect: Indigenous Rights

HR9 Total number of incidents of violations involving rights of indigenous people and actions taken

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
In 2013, at this mine were there any reported incidents of violations involving rights of indigenous peoples – yes or no?	no	no	no	no	no	no	no

GRI Society Performance Indicators

Aspect: Community

SO1 Nature, scope and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating and exiting

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

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

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

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

MM6 Number and description of significant disputes relating to land use, customary rights of local communities and indigenous peoples

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
	none	none	none	none	none	none	none

Aspect: Corruption

SO2 Percentage and total number of business units analyzed for risks related to corruption

In 2013, we conducted a Fraud Risk Assessment for AEM as a whole, company-wide. The risk assessment was based on interviews with individuals across many levels and at all the divisions as well as head office. Interviews were used to highlight potential scenarios that related to fraud and, by extension, corruption. These scenarios were then assessed in terms of their likelihood, the impact (financial and reputational) and the inherent risk. From this we identified the relevant controls we have in place, to determine the extent of the remaining risk. Recommendations were provided to address some of the relevant risks.

MM7 The extent to which grievance mechanisms were used to resolve disputes relating to land use and customary rights of local communities and indigenous peoples, and the outcomes

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
	None required in 2013	None required in 2013	None required in 2013	None required in 2013	None required in 2013	None required in 2013	None required in 2013

MM8 Number (and percentage) of Company operating sites where artisanal and small-scale mining (ASM) takes place on, or adjacent to, the site; the associated risks and the actions taken to manage and mitigate these risks

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Operating sites where ASM takes place on, or adjacent to, the site as a number and as a percentage of the Company's total operating sites	none	none	none	none	none	none	none
Nature of the risks and the actions taken to manage and mitigate them	N/A	N/A	N/A	N/A	N/A	N/A	N/A

MM9 Sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Number of households involved in any resettlement program	none	14	none	none	none	none	none
Number of individuals impacted directly by resettlement, or an informed estimate of the number	none	30	none	none	none	none	none
Consultation processes and measures put in place to re-establish the affected community, to mitigate any impacts of relocation, and the outcomes in terms of livelihoods, including sustainable land use	none	We worked hand in hand with each household to mitigate any impacts of relocation	none	none	none	none	none
Significant disputes related to resettlement and the processes employed to resolve outstanding issues	none	No significant disputes	none	none	none	none	none

MM10 Number and percentage of operations with closure plans

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Does this minesite have a completed closure and reclamation plan?	yes	yes	yes	yes	yes	yes	N/A
Has it been submitted to the regulatory authorities for approval?	yes	yes	yes	yes	yes	yes	N/A
Has the plan been formally approved by the regulatory authority?	yes	yes	yes	yes	yes	yes	N/A

MM10a Significant incidents involving communities in which grievance mechanisms have been invoked to address them, together with their outcomes

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
In 2013, were there any formal grievances submitted to the mine by local communities – yes or no?	yes	no	no	no	no	no	no
If yes – please provide details about the grievance and actions taken to resolve the complaint	–	–	–	–	–	–	–

MM11 Number and description of incidents affecting employees, communities or the environment in which emergency preparedness procedures were activated

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Were there any incidents affecting employees, communities or the environment that occurred at this mine in 2013 where the mine's emergency preparedness procedures were activated – yes or no?	no	no	no	no	no	no	no

SO3 Percentage of employees trained in organization's anti-corruption policies and procedures

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
	100%	100%	100%	100%	100%	100%	100%

Note:

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

SO4 Actions taken in response to incidents of corruption

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
	None required in 2013	None required in 2013	None required in 2013	None required in 2013	None required in 2013	None required in 2013	None required in 2013

Aspect: Public Policy
SO5 Public policy decisions and participation in public policy development and lobbying

AEM participates in influencing public policy through its membership in the Mining Association of Canada, the Mining Association of Quebec, the NWT & Nunavut Chamber of Mines, the Prospectors and Developers Association of Canada, and other industry associations to which it publicly belongs. In Mexico, we are a member of the Canadian Mexican Chamber of Mines. In Finland, we are a member of the Finnish Association for Extractive Industries "Kaivannaisteollisuus Ry – FinnMin". We are also a member of the European Association of Mining Industries, Metal Ores & Industrial Minerals (Euromines) through our Finnish subsidiary Agnico Eagle Finland Oy. The Company does actively engage in lobbying government outside of these associations.

SO6 Total value of financial and in-kind contributions to political parties, politicians and related institutions by country

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
Did the mine make any financial or in-kind contributions to political parties, politicians, or related institutions in 2013 – yes or no?	none	none	none	none	none	none	none

Aspect: Anti-Competitive Behaviour
SO7 Total number of legal actions for anti-competitive behaviour and anti-trust or monopoly practices, and their outcomes

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
	none	none	none	none	none	none	none

Aspect: Compliance
SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
	none	none	none	none	none	none	none

GRI Product Responsibility Performance Indicators
M12 Programs and progress relating to materials stewardship

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

Aspect – Customer Health and Safety

PR1 Life cycle stages in which health and safety impacts of products and services are assessed for improvements, and percentages of significant products and services categories subject to such procedures

AEM has not reported directly on this GRI indicator for the following reasons: 1) AEM is a primary gold producer and does not market its product and/or services directly to the final consumer. Our gold is typically sold to a third party such as a financial institution or brokerage which then sells it. Consequently, AEM does not generate a final consumer product and thus does not actively participate in assessing the life cycle stages in which health and safety impacts are assessed; and 2) AEM is a member of the World Gold Council and fully endorses the principles put forward by the Responsible Jewelry Initiative of the World Gold Council, and through this means ensures that its product is used in a responsible manner to the extent practical within the management control of the Company.

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

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

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
The total number of incidents of non-compliance with the health and safety of products and services, broken down by incidents of non-compliance with voluntary codes	none	none	none	none	none	none	none

Aspect – Product and Service Labelling

PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements

AEM has not reported data against this Performance Indicator, as in our view this indicator is not relevant to our specific business case. AEM does not create a final product that is marketed directly to a consumer. We ship a doré bullion to a refiner. The doré is shipped with appropriate MSDS information. We do not market a final consumer product and thus final labelling requirements are not relevant. We do provide information to the refiner receiving our doré on the content and makeup of our doré bullion.

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

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
The total number of incidents of non-compliance with regulations concerning product and service information and labelling, broken down by incidents of non-compliance with regulations resulting in a fine or penalty	none	none	none	none	none	none	none

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
The total number of incidents of non-compliance with regulations concerning product and service information and labelling, broken down by incidents of non-compliance with regulations resulting in a warning	none	none	none	none	none	none	none
The total number of incidents of non-compliance with regulations concerning product and service information and labelling, broken down by incidents of non-compliance with voluntary codes	none	none	none	none	none	none	none

PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction

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

Aspect – Marketing Communications

PR6 Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion and sponsorship

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

PR7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes

	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank	Exploration
The total number of incidents of non-compliance with regulations concerning marketing communications, broken down by incidents of non-compliance with regulations resulting in a fine or penalty	none	none	none	none	none	none	none
The total number of incidents of non-compliance with regulations concerning marketing communications, broken down by incidents of non-compliance with regulations resulting in a warning	none	none	none	none	none	none	none
The total number of incidents of non-compliance with regulations concerning marketing communications, broken down by incidents of non-compliance with voluntary codes	none	none	none	none	none	none	none

PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data

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

Aspect – Compliance

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

None – AEM was not charged or fined at any of its six operating mines in 2013 for non-compliance with laws and regulations concerning the provision and use of its products or services

TSM Performance Element

Towards Sustainable Mining Initiative – AEM Self-Assessment for 2013

Tailings Management Reporting Assessment	LaRonde	Goldex	Lapa ¹	Kittila	Pinos Altos	Meadowbank
TM1 Tailings management policy and commitment	A	A	N/A	A	A	A
TM2 Tailings management system	B	B	N/A	A	A	A
TM3 Assigned accountability and responsibility for tailings management	A	A	N/A	A	A	A
TM4 Annual tailings management review	A	A	N/A	A	A	A
TM5 Operating, maintenance and surveillance manual for tailings and water management facilities	A	A	N/A	A	B	A

1) Lapa has no tailings facility.

Energy Use and GHG Emissions Management Assessment	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank
EGHG1 Energy use and GHG management system	B	B	B	C	C	C
EGHG2 Energy use and GHG reporting system	A	A	A	A	A	A
EGHG3 Energy use intensity performance target	C	C	C	A	C	C

Aboriginal and Community Assessment	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank
CR1 Community of interest identification	AA	AA	B	AA	A	AA
CR2 Effective community of interest engagement and dialogue	B	B	B	B	B	B
CR3 Community of interest response mechanism	B	A	B	A	B	B
CR4 Reporting	B	A	B	A	B	B

Crisis Management Planning Assessment	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank
CM1 Crisis management preparedness	Y	N	N	Y	N	Y
CM2 Review	Y	Y	Y	Y	Y	Y
CM3 Training on crisis management	N	N	N	Y	N	Y

Biodiversity Conservation Management Assessment	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank
BC1 Corporate biodiversity conservation policy, accountability and communications	B	B	B	B	AA	AAA
BC2 Facility-level biodiversity conservation planning and implementation	C	C	C	C	B	A
BC3 Biodiversity conservation reporting	C	C	C	B	AA	A

Health and Safety Management Assessment	LaRonde	Goldex	Lapa	Kittila	Pinos Altos	Meadowbank
HS1 Policy, commitment and accountability	A	A	A	A	A	A
HS2 Planning, implementation and operation	A	A	A	A	B	A
HS3 Training, behaviour and culture	B	B	B	A	A	AA
HS4 Monitoring and reporting	A	A	A	A	A	A
HS5 Performance assessment criteria	AA	AA	AA	A	A	AA

Glossary

Absentee: An employee absent from work because of incapacity of any kind, not just as the result of work-related injury or disease. Permitted leave absences such as holidays, study, maternity/paternity and compassionate leave are excluded.

Absentee rate: Refers to a measure of actual absentee days lost as defined above, expressed as a percentage of total days scheduled to be worked by the workforce for the same period.

Anti-competitive behaviour: Actions of the reporting organization and/or employees that may result in collusion with potential competitors to fix prices, coordinate bids, create market or output restrictions, impose geographic quotas, or allocate customers, suppliers, geographic areas, and product lines with the purpose of limiting the effects of market competition.

Anti-trust and monopoly practices: Actions of the reporting organization that may result in collusion to erect barriers to entry to the sector, unfair business practices, abuse of market position, cartels, anti-competitive mergers, price-fixing, and other collusive actions which prevent competition.

Area protected: Area that is protected from any harm during operational activities, and the environment remains in its original state with a healthy functioning ecosystem.

Area restored: Area that was used during or affected by operational activities, and where remediation measures have either restored the environment to its original state or to a state that is a healthy and functioning ecosystem.

Areas of high biodiversity value: Areas not subject to legal protection but recognized for important biodiversity features by a number of governmental and non-governmental organizations. These include habitats that are a priority for conservation (often defined in National Biodiversity Strategies and Action Plans prepared under the Convention on Biological Diversity). In addition, several international conservation organizations have identified particular areas of high biodiversity value.

Artisanal and small-scale mining (ASM): Broadly speaking, artisanal and small-scale mining refers to mining by individuals, groups, families or cooperatives with minimal or no mechanization, often in the informal (illegal) sector of the market.

Backfill: Waste material used to fill the void created by mining an orebody.

Basel Convention Annex I, II, III and IV: International treaty that was designed to reduce the movement of hazardous waste between nations, and specifically to prevent transfer of hazardous waste from developed to less developed countries (LDCs).

Basic salary: A fixed, minimum amount paid to an employee for performing his/her duties. This does not include any additional remuneration such as that based on years of service, overtime work, bonuses, benefit payments, or any additional allowances (e.g., transportation allowances).

Benefits: This refers to either direct benefit provided in the form of financial contributions, care paid for by the reporting organization, or the reimbursement of expenses borne by the employee. Redundancy payments over and above legal minimums, lay-off pay, extra employment injury benefit, survivors' benefits, and extra paid holiday entitlements could also be included under this Indicator. In-kind benefits such as provision of sports or child day care facilities, free meals during working time, and similar general employee welfare programs are excluded from this Indicator.

Breach of customer privacy: Covers any non-compliance with existing legal regulations and (voluntary) standards of which the reporting organization is a member regarding the protection of customer privacy.

Carbon dioxide equivalent: CO₂ (carbon dioxide) equivalent is the measure used to compare the emissions from various greenhouse gases based on their global warming potential (GWP). The CO₂ equivalent for a gas is derived by multiplying the tonnes of the gas by the associated GWP.

Career endings: Retirement by reaching statutory national retiring age or termination in the face of restructuring.

CFC-11 equivalent: CFC-11 is a measure used to compare various substances based on their relative ozone depletion potential. The reference level of 1 is the potential of CFC-11 and CFC-12 to cause ozone depletion.

Child: This term applies to all persons under the age of 15 years or under the age of completion of compulsory schooling (whichever is higher), except in certain countries where economies and educational facilities are insufficiently developed and a minimum age of 14 years might apply. These countries of exception are specified by the ILO in response to special application by the country concerned and consultation with representative organizations of employers and workers.

CIL: Carbon in Leach (CIL) is a method of gold recovery in which activated carbon particles circulate in leach solution where they adsorb the gold.

Closure plans: Documentation prepared to guide the deactivation, stabilization and surveillance of a waste management unit or facility under the Resource Conservation and Recovery Act.

Continued employability: Adaptation to the changing demands of the workplace through the acquisition of new skills.

Contributions: Contributions can include donations, loans, sponsorships, purchase of tickets for fundraising events, advertising, use of facilities, design and printing, donation of equipment, retainers or jobs for elected politicians or candidates for office, etc.

Dikes: Embankments built to confine water and solids.

Direct emissions: Emissions from sources that are owned or controlled by AEM. For example, direct emissions related to combustion would arise from burning fuel for energy within AEM's operational boundaries.

Direct energy: Forms of energy that enter the reporting organization's operational boundaries. It can be consumed either by the organization within its boundaries, or it can be exported to another user. Direct energy can appear in either primary (e.g., natural gas for heating) or intermediate (e.g., electricity for lighting) forms. It can be purchased or extracted (e.g., coal, natural gas, oil).

Discrimination: The act and the result of treating a person unequally by imposing unequal burdens or denying benefits rather than treating the person fairly on the basis of individual merit. Discrimination can also include harassment, defined as a course of comments or actions that are unwelcome, or should reasonably be known to be unwelcome, to the person towards whom they are addressed.

Disposal method: The method by which waste is treated or disposed, including composting, reuse, recycling, recovery, incineration, landfill, deep well injection, and on-site storage.

doré: The final saleable product of a gold mine, usually consisting of gold and silver.

Economic impact: A change in the productive potential of the economy that can have an influence on a community's or stakeholder's well-being and longer-term prospects for development.

Effluents: "effluent" means an effluent – hydrometallurgical facility effluent, milling facility effluent, mine water effluent, tailings impoundment area effluent, treatment pond effluent – that has been treated and then discharged into the surrounding environment.

Employee wages and benefits: Total payroll is defined as the total monetary outflows for employees (current payments, not future commitments) and would include employee salaries, amounts paid to government institutions (employee taxes, levies, and unemployment funds) on behalf of employees, benefits, and regular contributions (e.g., to pensions and insurance).

Employment contract: An employment contract as recognized under national law or practice that may be written, verbal or implicit (i.e., when all the characteristics of employment are present but without a written or witnessed verbal contract).

Employment types: Full time: A "full time employee" is defined according to national legislation and practice regarding working time (e.g., national legislation defines that "full time" means a minimum of nine months per year and a minimum of 30 hours per week).

Part time: A "part time employee" is an employee whose working hours per week, month or year are less than "full time" as defined above.

Entry level wage: Entry level wage should be defined by the full time wage offered to an employee in the lowest employment category. Intern or apprentice wages should not be considered.

External Environmental Audit: Number of environmental audits carried out by external firms.

Fatality: The death of a worker occurring in the current reporting period, arising from an occupational injury or disease sustained or contracted while in the reporting organization's employ.

Fixed term or temporary contract: A fixed term contract is a contract of employment as defined above that ends when a specific time period expires, or when a specific task that has a time estimate attached is completed.

A temporary contract of employment is of limited duration and terminated by a specific event, including the end of a project or work phase, return of replaced personnel, etc.

Forced or compulsory labour: All work and service that is exacted from any person under the menace of any penalty and for which the said person has not offered her/himself voluntarily (ILO Convention 29, Forced Labour Convention, 1930). The most extreme examples are slave labour, prison labour and bonded labour, but debts can also be used as a means of maintaining workers in a state of forced labour. Withholding identity papers, requiring deposits, or compelling workers under threat of firing to work extra hours to which they have not previously agreed, are all examples of forced labour.

Formal agreements: Written documents signed by both parties declaring a mutual intention to abide by what is contained in the documents. These can include, for example, local collective bargaining agreements as well as national and international framework agreements.

Freedom of association: Workers and employers may establish and join organizations of their own choosing without the need for prior authorization.

GHG (greenhouse gases): Any of the atmospheric gases that contribute to the greenhouse effect. The six main greenhouse gas emissions are:

- Carbon dioxide (CO₂);
- Methane (CH₄);
- Nitrous oxide (N₂O);
- Hydrofluorocarbons (HFCs - a group of several compounds);
- Perfluorocarbons (PFCs - a group of several compounds); and
- Sulphur hexafluoride (SF₆).

GHG intensity: GHG intensity is AEM's direct GHG emissions divided by the tonnes of ore milled or processed. The GHG intensity measures our greenhouse gas emissions as it relates to the quantity of material processed.

Governance bodies: The committees or boards responsible for the strategic guidance of the organization, the effective monitoring of management, and the accountability of management to the broader organization and its stakeholders.

GRI: Global Reporting Initiative.

Health and Safety External Audit: Number of health and safety audits carried out by external firms.

Health and Safety Internal Audit: Number of health and safety audits by division, inter-division or corporate personnel.

Heap leach: A process whereby valuable metals, usually gold and silver, are leached from a heap, or pad, of crushed ore by leaching solutions percolating down through the heap and collected from a sloping, impermeable liner below the pad.

Heap leach: Gold ore processing with cyanide can also be performed on lined pads – a process called heap leach. Gold-bearing ore is placed on a liner (typically high-density polyethylene, “HDPE”) and a cyanide solution is allowed to leach through the “heap” and extract the gold.

Human rights clauses: Specific terms in a written agreement that define minimum expectations of performance with respect to human rights as a requirement for investment.

Human rights screening: A formal or documented process that applies a set of human rights performance criteria as one of the factors in determining whether to proceed with an investment.

IIBA (Inuit Impact Benefit Agreement): These agreements are mechanisms for establishing formal relationships between mining companies and local communities.

Impacts of operations: This refers primarily to social impacts, such as:

- Community health and safety regarding infrastructure, hazardous materials, emissions and discharges, and health and disease;
- Involuntary resettlement, physical and economic displacement, and livelihood restoration; and
- Local culture, gender, indigenous peoples, and cultural heritage.

This definition excludes impacts covered by other Indicators, such as EN10 (water sources/habitats affected by water use), EN12 (areas with high biodiversity value), and LA8 (serious diseases). It also excludes voluntary contributions (in-kind and cash) to communities.

Indefinite or permanent contract: A permanent contract of employment is a contract with an employee for full time or part time work for an indeterminate period.

Indicators of diversity: Indicators for which the reporting organization gathers data may include, for example, citizenship, ancestry and ethnic origin, creed, and disability.

Indigenous peoples: Indigenous peoples are those whose social, cultural, political and economic conditions distinguish them from other sections of the dominant national community, or who are regarded as indigenous on account of their descent from the populations who inhabited the country, or a geographical region to which the country belongs, at the time of conquest or colonization or the establishment of present state boundaries and who, irrespective of their legal status, retain some or all of their own social, economic, cultural and political institutions.

Indirect economic impact: An additional consequence of the direct impact of financial transactions and the flow of money between an organization and its economic impact.

Indirect emissions: Emissions that result from the activities of AEM but are generated at sources owned or controlled by another organization. In the context of this Indicator, indirect emissions refer to greenhouse gas emissions from the generation of electricity, heat or steam that is imported and consumed by AEM.

Indirect energy: Energy produced outside the reporting organization's organizational boundary that is consumed to supply energy for the organization's intermediate energy needs (e.g., electricity or heating and cooling).

Infrastructure: Facilities built primarily to provide a public service or good (e.g., water supply facility, road, school or hospital) rather than a commercial purpose, and from which the organization does not seek to gain direct economic benefit.

Injury: A non-fatal or fatal injury arising out of or in the course of work.

Injury rate: The frequency of injuries relative to the total time worked by the total workforce in the reporting period.

Internal cofferdam: A cofferdam is a type of watertight construction designed to facilitate construction projects in areas that are normally submerged, such as bridges and piers. A cofferdam is installed in the work area and water is pumped out to expose the bed of the waterbody so that workers can construct structural supports, enact repairs, or perform other types of work in a dry environment.

Internal Environmental Audit: Number of health and safety audits by division, inter-division or corporate personnel.

IUCN Red List species: An inventory of the global conservation status of plant and animal species developed by the International Union for the Conservation of Nature and Natural Resources (IUCN).

Lifelong learning: Acquiring and updating abilities, knowledge, qualifications and interests throughout life, from preschool years to post-retirement.

Light duty accident: Modified job requirements to meet short-term disabilities as prescribed by the City contract physician.

Lobbying: Refers to efforts to persuade or influence persons holding political office, or candidates for such office, to sponsor policies and/or to influence the development of legislation or political decisions. In this Indicator, lobbying can relate to lobbying governments at any level or international institutions.

Local: Local refers to individuals either born in or who have the legal right to indefinitely reside in (e.g., naturalized citizens or permanent visa holders) the same geographic market as the operation. For AEM, local is defined as the geographic or economic region in which the mine is located, such as Northern Quebec for the Abitibi region, Chihuahua State for Pinos Altos, Lapland for Kittila, Nunavut for Meadowbank.

Local minimum wage: Minimum wage refers to compensation per hour or other unit of time for employment allowed under law. Since some countries have numerous minimum wages (e.g., by state/province or by employment category), identify which minimum wage is being used.

Locally based suppliers: Providers of materials, products and services that are based in the same geographic market as the AEM minesite (i.e., no trans-national payments to the supplier are made). For AEM, local is defined as the geographic or economic region in which the mine is located, such as Northern Quebec for the Abitibi region, Chihuahua State for Pinos Altos, Lapland for Kittila, Nunavut for Meadowbank.

Lost day: Time (in “days”) that could not be worked (and is thus “lost”) as a consequence of a worker or workers being unable to perform their usual work because of an occupational accident or disease. A return to limited duty or alternative work for the same organization does not count as lost days.

Lost day rate: The impact of occupational accidents and diseases as reflected in time off work by the affected workers. It is expressed by comparing the total lost days to the total number of hours scheduled to be worked by the workforce in the reporting period.

Lost-time accident: Accident resulting in personnel not being able to work as a result of their injury.

MSDS: A material safety data sheet (MSDS) is a form containing data regarding the properties of a particular substance.

NP tailings: Neutralization potential of tailings.

Number of HSE audits carried out: Internal and external audits carried out at the division: health and safety audits, environmental audits.

Occupational disease: A disease arising from the work situation or activity (e.g., stress or regular exposure to harmful chemicals) or from a work-related injury.

Occupational disease rate: The frequency of occupational diseases relative to the total time worked by the total workforce in the reporting period.

Overburden: The material that lies above the area of economic or scientific interest (in mining and archaeology), e.g., the rock, soil and ecosystem that lie above the coal seam or orebody. It is also known as “waste.” Overburden is distinct from tailings, the material that remains after economically valuable components have been extracted from the generally finely milled ore. Overburden is removed during surface mining, but is typically not contaminated with toxic components and may be used to restore an exhausted mining site to a semblance of its appearance before mining began. Overburden may also be used as a term to describe all soil and ancillary material above the bedrock horizon in a given area.

Ozone-depleting substances: Any substance with an ozone depletion potential (ODP) greater than 0 that can deplete the stratospheric ozone layer. Most ozone-depleting substances are controlled under the Montreal Protocol and its amendments, and include CFCs, HCFCs, halons, and methyl bromide.

Payments to providers of capital: Dividends to all shareholders and interest payments made to providers of loans. This includes interest on all forms of debt and borrowings (not only long-term debt) and also arrears of dividends due to preferred shareholders.

Permafrost: Permanently frozen subsoil occurring throughout the polar regions and locally in perennially frigid areas.

Primary Energy Source: The initial form of energy consumed to satisfy the reporting organization’s energy demand. This energy is used either to provide final energy services (e.g., space heating, transport) or to produce intermediate forms of energy, such as electricity and heat.

Protected area: A geographically defined area that is designated, regulated or managed to achieve specific conservation objectives.

Public policy development: Organized or coordinated activities to effect government policy formulation.

Reclamation: The restoration of a site after mining or exploration activity is completed.

Regular performance and career development review: Performance targets and reviews are based on criteria known to the employee and his/her superior. This review is undertaken with the knowledge of the employee at least once per year. It can include an evaluation by the employee’s direct superior, peers or a wider range of employees. The review may also involve personnel from the human resources department.

Related institutions: Any bodies established with the primary purpose of arranging official or unofficial funding support for political parties, their elected representatives, or persons seeking political office. This definition also includes think-tanks, policy organs, trade associations, and other support organizations that are linked to the creation of support for political parties, their representatives or candidates for office.

Risk control: Practices that seek to limit exposure and transmission of diseases.

Security personnel: Individuals employed for the purposes of guarding property of the organization, crowd control, loss prevention, and escorting persons, goods and valuables.

Sedimentation basin: A basin or tank in which water or waste water containing settleable solids is retained to remove by gravity a part of the suspended matter. Also called sedimentation tank, settling basin, settling tank.

Serious diseases: Occupational or non-occupational related impairment of health with serious consequences for employees, their families and communities, such as HIV/AIDS, diabetes, RSI and stress.

Services supported: Providing a public benefit either through direct payment of operating costs or through staffing the facility/service with the reporting organization's own employees. Public benefit can also include public services.

Significant air emissions: Air emissions that are regulated under international conventions and/or national laws or regulations, including those listed on environmental permits for the reporting organization's operations.

Significant financial assistance: Significant direct or indirect financial benefits that do not represent a transaction of goods and services, but which are an incentive or compensation for actions taken, the cost of an asset, or expenses incurred. The provider of financial assistance does not expect a direct financial return from the assistance offered. Typical types of assistance include: tax reliefs/credits, subsidies, investments grants, research and development grants, and other relevant type of awards; royalty holidays; financial assistance from Export Credit Agencies (ECAs), financial incentives, other financial benefits received or receivable from any government or government agencies.

Significant impact: Impacts that may adversely affect the integrity of a geographical area/region, either directly or indirectly. This occurs by substantially changing its ecological features, structures and functions across its whole area and over the long term. This means that the habitat, its population level, and/or the particular species that make that habitat important cannot be sustained. On a species level, a significant impact causes a population decline and/or change in distribution so that natural recruitment (reproduction or immigration from unaffected areas) cannot return to former levels within a limited number of generations. A significant impact can also affect subsistence or commercial resource use to the degree that the well-being of users is affected over the long term.

Significant location of operations: Locations where single-market revenues, costs, stakeholder payments, production or employee numbers represent a significant share of the organization's global total, and are sufficient to be particularly important to decision making by the organization or its stakeholders. Combined, these locations would likely represent the majority of the above figures. Reporting organizations should identify and explain the specific criteria used to determine what is significant. Reporting organizations should use International Accounting Standard 14 (IAS14) as a reference in defining significant locations of operation.

Significant operational changes: Alterations to the reporting organization's pattern of operations that will have substantial positive or negative consequences for its employees. Such changes may include, for example, restructuring, outsourcing of operations, closures, expansions, new openings, takeovers, sale of all or part of the organization, or mergers.

Significant spills: All spills that are included in AEM's financial statement (due to resulting liabilities, for example) or recorded as a spill by AEM.

Significant suppliers and contractors: External parties from whom products or services are obtained or with whom contracts are concluded for the provision of such products and services. In the context of this Indicator, "significant" refers to suppliers and contractors who are:

- The primary providers of a given type of good or service and overall comprise the majority of the organization's purchases; or
- Identified as having the highest risk of incidents related to human rights.

Skills management: Policies and programs that focus on developing employees' skills to meet the evolving strategic needs of the organization and/or industry.

Sludge: Sludge is produced from the treatment of waste water, since the primary aim of waste water treatment is removing solids from the waste water.

Spill: Accidental release of a hazardous substance that can affect human health, land, vegetation, waterbodies and groundwater.

Substantiated complaint: Written statement by a regulatory or similar official body addressed to the reporting organization that identifies breaches of customer privacy; or a complaint lodged with the organization that has been recognized as legitimate by the organization.

Tailings: Tailings are what is left of the ore after the extraction of gold or other minerals of value.

Total volume and percentage of water recycled and reused: Total volume of water recycled in the mill process or in the mine from: tailings pond, mine dewatering (open pit and underground), collected contaminated surface drainage; and the ratio of this volume to the total volume withdrawn expressed in percentage.

Examples:

- 1. LaRonde - The recycled water is the water pumped from the tailings pond to feed the mill (reuse of mine water within the mine is not included because it is not possible to calculate).
- 2. Lapa - The recycled water is the water pumped from the sedimentation pond to the mine (reuse of mine water within the mine is not included because it is not possible to calculate).
- 3. Goldex - The recycled water is the water from mine dewatering and from Parc Sud that is reused at the mill (reuse of mine water within the mine is not included because it is not possible to calculate).
- 4. Kittila - The recycled water is the water from the NP and CIL ponds that is recycled to the mill, and water from the open pit sedimentation pond recycled to the mill.
- 5. Pinos Altos - The recycled water is the water pumped from the mine dewatering and used at the mill.
- 6. Meadowbank - The recycled water is the water pumped from the tailings pond back to the mill.

Total water discharge by destination and quality (AEM definition): The sum of water effluents discharged over the course of the reporting period to subsurface waters, surface waters, sewers that lead to rivers, oceans, lakes, wetlands, treatment facilities and groundwater either through:

- A defined discharge point (point source discharge);
- Over land in a dispersed or undefined manner (non-point source discharge); or
- Waste water removed from the reporting organization via truck. Discharge of collected rainwater and domestic sewage is not regarded as water discharge.

AEM Examples:

- 1. LaRonde - Water discharged comprises final effluent discharged from pond 3A (biological and chemical treatment).
- 2. Lapa - Water discharged comprises: a) final effluent from sedimentation pond (chemical treatment); b) discharge from Bionest (biological treatment).
- 3. Goldex - Water discharged comprises: a) effluent from mine sedimentation pond (sedimentation); b) effluent from Parc Sud (sedimentation); c) effluent from sewage treatment plant if measured.
- 4. Kittila - Water discharge comprises: a) water from NP pond effluent (sedimentation); b) water from sewage treatment plant (biological); c) water from UG and open pit sedimentation pond (industrial pond – sedimentation).
- 5. Pinos Altos - Water discharge comprises effluent from sewage treatment plant.
- 6. Meadowbank - Water discharge comprises water discharge.

Total water withdrawal by source: The sum of all water drawn for any use at the mine over the course of the reporting period from all sources: surface water (lake, river, etc.), groundwater (pumping wells for drinking water or other uses), municipal water supply (where it exists).

- Water pumped from underground or open pit for dewatering purposes is excluded.
- Surface water transferred from one watershed to another, either by diversion channel or pumping, is not considered water use.

Examples:

- 1. LaRonde - Water withdrawn comprises: a) water pumped from Lake Chassignol; b) water pumped from groundwater well.
- 2. Lapa - Water withdrawn comprises: a) water from Héva Creek that is used at the mine = water pumped from Queenston pit (which originates from Héva Creek); b) water from water wells.
- 3. Goldex - Water withdrawn comprises: a) water pumped from Thompson River; b) water pumped from water wells.
- 4. Kittila - Water withdrawn comprises: a) water pumped from the Seurojoki river; b) water pumped from water wells.
- 5. Pinos Altos - Water withdrawn comprises water pumped from water wells.
- 6. Meadowbank - Water withdrawn comprises water pumped from the lake.

Training: Refers to:

- All types of vocational training and instruction;
- Paid educational leave provided by the reporting organization for its employees;
- Training or education pursued externally and paid for in whole or in part by the reporting organization; and
- Training on specific topics such as health and safety.

Training does not include on-site coaching by supervisors.

Transportation of the members of the organization's workforce: Transportation used for commuting to work by members of the workforce or travel for business purposes including air, train, bus and other forms of motorized and non-motorized travel.

TSS concentration: Total suspended solids is a water quality measurement, usually abbreviated TSS.

Turnover: Number of employees who leave the organization voluntarily or due to dismissal, retirement or death in service.

UG: Underground.

Waste rock: Unmineralized, or sometimes mineralized, rock that is not minable at a certain profit.

Young worker: A person who is above the applicable minimum working age and younger than 18 years of age.

AGNICO-EAGLE MINES LIMITED
CORPORATE GOVERNANCE COMMITTEE
CHARTER

This Charter shall govern the activities of the corporate governance committee (the "Corporate Governance Committee") of the board of directors (the "Board of Directors") of Agnico-Eagle Mines Limited (the "Corporation").

I. PURPOSE OF THE GOVERNANCE COMMITTEE

The Corporate Governance Committee (the "Committee") shall advise and make recommendations to the Board of Directors in its oversight role with respect to: (a) the development of the Corporation's corporate governance policies, principles, practices and processes; (b) the effectiveness of the Board of Directors and its committees; (c) the contributions of individual directors; (d) the identification of individuals qualified to become board members; and (e) the selection of director nominees for election by the shareholders.

The Committee shall have the authority to delegate to one or more of its members, responsibility for developing recommendations for consideration by the Committee with respect to any of the matters referred to in this Charter.

II. COMPOSITION

The Corporate Governance Committee shall be comprised of a minimum of three directors, each of whom shall be unrelated and independent as determined by the Board of Directors in accordance with the applicable requirements of the laws governing the Corporation, the applicable stock exchanges on which the Corporation's securities are listed and applicable securities regulatory authorities. (See Schedule A for current requirements.)

The members of the Corporate Governance Committee shall be appointed by the Board of Directors annually at the first meeting of the Board of Directors after a meeting of the shareholders at which directors are elected and each member shall serve until: the next annual meeting of shareholders; they resign; their successors are duly appointed; or such member is removed from the Committee by the Board of Directors. The Board of Directors shall designate one member of the Corporate Governance Committee as the chair of the Corporate Governance Committee (the "Chair"), but if it fails to do so, then the members of the Corporate Governance Committee may designate the Chair by a majority vote of the full Corporate Governance Committee membership.

III. MEETINGS

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

IV. COMMITTEE RESPONSIBILITIES AND DUTIES

The Corporate Governance Committee's primary responsibilities are to:

1. review and assess the adequacy of this Charter, at least annually and, where necessary or desirable recommend changes to the Board of Directors;
2. review the Board of Directors committee structure on an annual basis and recommend to the Board of Directors any changes it considers necessary or desirable with respect to that committee structure, including (all in consultation with the Chairman of the Board): (a) the mandates of each committee; (b) the criteria for membership on any committee; (c) the composition of each committee; (d) the appointment and removal of members from any committee; (e) the operations of each committee, including the ability of any committee to delegate any or all of its responsibilities to a sub-committee of that committee; and (f) the process for each committee reporting to the Board of Directors;
3. review the charters of each committee of the Board of Directors at least annually, and recommend such changes as are required or desirable;
4. review the Corporation's corporate governance practices at least annually and recommend appropriate policies, practices and procedures to the Board of Directors;
5. review the corporate governance sections of the management information circular distributed to the Corporation's shareholders, including the statement of corporate governance practices;
6. develop and recommend to the Board of Directors a process for assessing the effectiveness of the Board of Directors, as a whole, the committees of the Board of Directors and the contribution of individual directors and be responsible for overseeing the execution of the assessment process approved by the Board of Directors;
7. evaluate its effectiveness and the effectiveness of its members pursuant to the process for such evaluation approved by the Board of Directors;
8. review at least annually the skills, areas of expertise, backgrounds, independence and qualifications of the members of the Board of Directors;

9. review annually the size and composition of the Board of Directors to ensure that there remain an appropriate number of "unrelated" and "independent" directors;
10. develop and recommend to the Board of Directors a Resignation Policy;
11. review and assess, on an annual basis, the performance of Directors and administer and apply the Resignation Policy;
12. develop and recommend to the Board of Directors an Outside Board Participation Policy;
13. administer and apply the Outside Board Participation Policy;
14. serve as a forum for individual directors to voice any concerns on matters not readily discussed at regular Board of Directors meetings;
15. recommend to the Board of Directors a system which enables an individual director to engage outside advisers at the Corporation's expense in appropriate circumstances and with the approval of the Committee;
16. recommend to the Board of Directors appropriate criteria for the selection of new directors, periodically review the criteria adopted by the Board of Directors and, if deemed desirable, recommend to the Board of Directors changes to such criteria;
17. identify and recommend qualified candidates to the Board of Directors who meet the selection criteria approved by the Board of Directors, and recommend the slate of nominees for election by shareholders at the annual meeting (and in this regard the Committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates or to otherwise assist the Committee in the discharge of its responsibilities, including the sole authority to approve the search firm's fees and other retention terms);
18. recommend to the Board of Directors structures and procedures to enable the Board of Directors to function independently of management and oversee the development and implementation of any structures and procedures approved by the Board of Directors;
19. review the relationship of the Board of Directors with management and recommend, where appropriate, limits on management's authority to act without the express approval of the Board of Directors;
20. assess shareholder proposals as necessary for inclusion in the management information circular and make appropriate recommendations to the Board of Directors;
21. oversee (a) the development and implementation of orientation programs for new directors; and (b) continuing education for all directors;

22. report to the Board of Directors following each meeting of the Committee and at such other times as the Board of Directors may consider appropriate; and
23. exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board of Directors.

SCHEDULE A

Unrelated Director

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

- (a) not a member of management and is free from any interest and any business or other relationship which could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the issuer;
- (b) not currently, or has not been within the last three years, an officer, employee of or service provider to the issuer or any of its subsidiaries or affiliates; and
- (c) not an officer, employee or controlling shareholder of a company that has a material business relationship with the issuer.

Independent Director

National Instrument – 52-110

A director is "independent" if he or she has no direct or indirect material relationship with the issuer. The following summarizes the major aspects of the National Instrument (NI52-110) relating to the independence of a director.

Certain Relationships Automatically Exclude a Director From Serving on the Audit Committee

If a director (or a member of the director's immediate family) has a specified type of relationship with the issuer (which includes the issuer's parent and subsidiary entities), then that director will not be considered independent. NI52-110 assumes that the following persons have a material relationship with the issuer (and are therefore precluded from sitting on the audit committee):

Employment Relationships

- an individual who is, or has been within the last three years, employee or executive officer of the issuer or an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;
- an individual who, or whose immediate family member, is, or has been within the last three years, an executive officer of another entity if any of the issuer's current executive officers serves or served at that same time on the compensation committee of that entity;
- an individual who received, or whose immediate family member who is employed as an executive officer of the issuer who received, more than C\$75,000 in direct compensation from the issuer during any 12 month period within the last three years (other than remuneration for acting as a member of the board of directors or any board committee of the issuer and fixed amounts received under a retirement plan for prior service with the issuer that is not contingent on continued service);

Relationships with Internal or External Auditors

- an individual who is a partner or employee of the issuer's internal or external auditor or an individual who was within the last three years a partner or employee of the issuer's internal or external auditor and personally worked on the issuer's audit within that time;
- an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual, is (i) a partner of the issuer's internal or external auditor, (ii) an employee of the issuer's internal or external auditor and participates in its audit, assurance or tax compliance (but not tax planning) practice, (iii) or an individual who was within the last three years a partner or employee of the issuer's internal or external auditor and personally worked on the issuer's audit within that time;

Advisory or Consulting Relationships

- an individual who accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than remuneration for acting as a member of the board or any board committee or as a part-time chair or vice-chair of the board or any board committee, including the indirect acceptance of a fee by an individual's spouse, minor child or stepchild, or child or stepchild who shares the individual's home or by an entity in which such individual is a partner, member, officer such as a managing director or executive officer and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer; and

Relationships with Affiliated Entities

- an individual who is an affiliated entity of the issuer or any of its subsidiary entities, where affiliated entity means a person that has the direct or indirect power to direct or cause the direction of management and the policies of the issuer or any of its subsidiary entities, whether through ownership of voting securities or otherwise (other than an individual who owns, directly or indirectly, ten percent or less of any class of voting securities of the issuer and is not an executive officer of the issuer) or an individual who is both a director and an employee of an affiliated entity or an executive officer, general partner or managing member of an affiliated entity.

The Materiality of Other Relationships is for the Board to Determine

If a director has a direct or indirect relationship with the issuer, then it will be material if, in the view of the issuer's board of directors, the relationship could reasonably interfere with the exercise of the director's independent judgement. These relationships may include commercial, charitable, industrial, banking, consulting, legal, accounting or familial relationships or any other relationship that the board considers to be material.

New York Stock Exchange Rules

Under the New York Stock Exchange rules, the following requirements must be met to qualify as an "Independent Director":

- (a) No director qualifies as "independent" unless the board of directors affirmatively determines that the director has no material relationship with the listed company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the company). Companies must disclose these determinations.
- (b) In addition, the following persons are not independent:
 - Any director who is (or who has an immediate family member who is) an executive officer, other than on an interim basis, of the listed company;
 - any director who receives (or who has an immediate family member who receives) more than \$120,000 per year in direct compensation from the listed company ;
 - any director who is (or who has an immediate family member who is, in a professional capacity) a partner or employee of the listed company's internal or external auditor;
 - any director who is (or who has an immediate family member who is) employed as an executive officer of another company where any of the executives of the listed company also serves or served on that other company's compensation committee; and
 - any director who is an employee (or who has an immediate family member who is an executive officer) of another company that has made payments to, or received payments from, the listed company for property or services which exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues.

Three Year "Cooling Off" Period. For each of the categories above where a director is not (or is presumed not to be) independent, there is a three-year "cooling off" period. Accordingly, the existence of the prohibited relationship at any time during the preceding three years is presumed to impair independence.

AGNICO-EAGLE MINES LIMITED

AUDIT COMMITTEE CHARTER

This Charter shall govern the activities of the audit committee (the "Audit Committee") of the board of directors (the "Board of Directors") of Agnico-Eagle Mines Limited (the "Corporation").

I. PURPOSE OF THE AUDIT COMMITTEE

The Audit Committee (the "Committee") shall: (a) assist the Board of Directors in its oversight responsibilities with respect to: (i) the integrity of the Corporation's and its subsidiaries financial statements, (ii) the Corporation's compliance with legal and regulatory requirements, (iii) the external auditor's qualifications and independence, and (iv) the performance of the Corporation's internal and external audit functions and; (b) prepare any report of the Audit Committee required to be included in the Corporation's annual report or proxy material. The head of the Corporation's internal audit function and the external auditors shall have direct and ready access to the Chair of the Committee.

The Committee shall have the authority to delegate to one or more of its members, responsibility for developing recommendations for consideration by the Committee with respect to any of the matters referred to in this Charter.

II. COMPOSITION

The Audit Committee shall be comprised of a minimum of three directors. No member of the Audit Committee shall be an officer or employee of the Corporation or any of its affiliates for the purposes of the applicable corporate statute. Each member of the Audit Committee shall be an unrelated and independent director as determined by the Board of Directors in accordance with the applicable requirements of the laws governing the Corporation, the applicable stock exchanges on which the Corporation's securities are listed and applicable securities regulatory authorities . (See Schedule A for current requirements.)

Each member of the Audit Committee shall be financially literate. Unless the Audit Committee shall otherwise determine, a member of the Audit Committee shall be considered to be financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

At least one member of the Audit Committee shall be a financial expert. (See Schedule B for definition.)

The members of the Audit Committee shall be appointed by the Board of Directors annually at the first meeting of the Board of Directors after a meeting of the shareholders at which directors are elected and shall serve until: the next annual meeting of the shareholders; they resign; their successors are duly appointed; or such member is removed from the Committee by the Board of Directors. The Board of Directors shall designate one member of the Audit Committee as the chair of the Audit Committee (the "Chair") or, if it fails to do so, the members of the Audit Committee shall appoint the Chair from among its members.

No member of the Audit Committee may earn fees from the Corporation or any of its subsidiaries other than directors fees (which fees may include cash and/or shares or restricted share units or other in-kind consideration ordinarily available to directors, as well as all of the regular benefits that other directors receive). For greater certainty, no member of the Audit Committee shall accept any consulting, advisory or other compensatory fee from the Corporation.

III. MEETINGS

The Audit Committee shall meet at least quarterly or more frequently as required.

As a part of each meeting of the Audit Committee at which the Audit Committee recommends that the Board of Directors approve the annual audited financial statements or at which the Audit Committee reviews the quarterly financial statements, the Audit Committee shall meet in a separate session with the external auditor and, if desired, with management and/or the internal auditor. In addition, the Audit Committee or the Chair shall meet with management quarterly to review the Corporation's financial statements as described in Section IV.4 below and the Audit Committee or a designated member of the Audit Committee shall meet with the external auditors to review the Corporation's financial statements on a quarterly or other regular basis as the Audit Committee may deem appropriate.

The Audit Committee shall seek to act on the basis of consensus, but an affirmative vote of a majority of members of the Audit Committee participating in any meeting of the Audit Committee shall be sufficient for the adoption of any resolution.

IV. RESPONSIBILITIES AND DUTIES

The Audit Committee's primary responsibilities are to:

General

1. review and assess the adequacy of this Charter at least annually and, where necessary or desirable, recommend changes to the Board of Directors;
2. report to the Board of Directors regularly at such times as the Chair may determine to be appropriate but not less frequently than four times per year;
3. follow the process established for all committees of the Board of Directors for assessing the Committee's performance;

Documents/Reports Review

4. review the Corporation's financial statements and related management's discussion and analysis, Form 20-F, Annual Report and any other annual reports or other financial information to be submitted to any governmental body or the public, including any certification, report, opinion or review rendered by the external auditors before they are approved by the Board of Directors and publicly disclosed;
5. review with the Corporation's management and the external auditors, the Corporation's quarterly financial statements and related management's discussion and analysis, before they are released;
6. ensure that adequate procedures are in place for the review of the issuer's disclosure of financial information extracted or derived from the issuer's financial statements other than the disclosure referred to in the two immediately preceding paragraphs and periodically assess the adequacy of such procedures;
7. review the effects of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Corporation;
8. review with the Corporation's management any press release of the Corporation which contains financial information (paying particular attention to the use of any "pro forma" or "adjusted" non-GAAP information);
9. review and assess, on a quarterly basis, management's risk assessment and risk management strategies including hedging and derivative strategies;

External Auditors

10. recommend external auditors nominations to the Board of Directors to be put before the shareholders for appointment and, as necessary, the removal of any external auditor in office from time to time;
11. approve the fees and other compensation to be paid to the external auditors;
12. pre-approve all significant non-audit engagements to be provided to the Corporation with the external auditors;
13. require the external auditors to submit to the Committee, on a regular basis (at least annually), a formal written statement delineating all relationships between the external auditors and the Corporation and discuss with the external auditors any relationships that might affect the external auditors' objectivity and independence;
14. recommend to the Board of Directors any action required to ensure the independence of the external auditors;
15. advise the external auditors of their ultimate accountability to the Board of Directors and the Committee;
16. oversee the work of the external auditors engaged for the purpose of preparing an audit report or performing other audit, review and attest services for the issuer;
17. evaluate the qualifications, performance and independence of the external auditors which are to report directly to the Committee, including (i) reviewing and evaluating the lead partner on the external auditors' engagement with the Corporation, (ii) considering whether the auditors' quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditors' independence, (iii) determine the rotation of the lead audit partner and the audit firm, and (iv) take into account the opinions of management and the internal audit function in assessing the external auditors' qualifications, independence and performance;
18. present the Committee's conclusions with respect to its evaluation of external auditors to the Board of Directors and take such additional action to satisfy itself of the qualifications, performance and independence of external auditors and make further recommendations to the Board of Directors as it considers necessary;
19. obtain and review a report from the external auditors at least annually regarding: the external auditors' internal quality-control procedures; material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more external audits carried out by the firm; any steps taken to deal with any such issues; and all relationships between the external auditors and the Corporation;

20. establish policies for the Corporation's hiring of employees or former employees of the external auditors;

Internal Auditor

21. receive regular quarterly reports from the Corporation's internal auditor on the scope and material results of its internal audit activities commencing in 2007, based on the Internal Audit Charter;
22. review and discuss the Company's Code of Business Conduct and Ethics and fraud policy and the actions taken to monitor and enforce compliance with the Code and policy;
23. establish procedures for:
 - i) the receipt, retention and treatment of complaints regarding accounting, internal controls or auditing matters;
 - ii) the confidential, anonymous submission of concerns regarding questionable accounting, internal control and auditing matters; and
 - iii) compliance with applicable foreign corrupt practices legislation, guidelines and practices.

Fraud Prevention and Detection

24. overseeing and assessing management's controls and processes to prevent and detect fraud;
25. receiving periodic reports from the internal auditors on findings of fraud as well as significant findings regarding the design and/or operation of internal controls and management responses

Financial Reporting Process

26. periodically discuss the integrity, completeness and accuracy of the Corporation's internal controls and the financial statements with the external auditors in the absence of the Corporation's management;
27. in consultation with the external auditors, review the integrity of the Corporation's financial internal and external reporting processes;
28. consider the external auditors' assessment of the appropriateness of the Corporation's auditing and accounting principles as applied in its financial reporting;
29. review and discuss with management and the external auditors at least annually and approve, if appropriate, any material changes to the Corporation's auditing and accounting principles and practices suggested by the external auditors, internal audit personnel or management;

30. review and discuss with the Chief Executive Officer and the Chief Financial Officer the procedures undertaken in connection with the Chief Executive Officer and Chief Financial Officer certifications for the interim and annual filings with applicable securities regulatory authorities;
31. review disclosures made by the Chief Executive Officer and Chief Financial Officer during their certification process for the annual and interim filings with applicable securities regulatory authorities about any significant deficiencies in the design or operation of internal controls which could adversely affect the Corporation's ability to record, process, summarize and report financial data or any material weaknesses in the internal controls, and any fraud involving management or other employees who have a significant role in the Corporation's internal controls;
32. establish regular and separate systems of reporting to the Committee by management and the external auditors of any significant decision made in management's preparation of the financial statements, including the reporting of the view of management and the external auditors as to the appropriateness of such decisions;
33. discuss during the annual audit, and review separately with each of management and the external auditors, any significant matters arising from the course of any audit, including any restrictions on the scope of work or access to required information; whether raised by management, the head of internal audit or the external auditors;
34. resolve any disagreements between management and the external auditors regarding financial reporting;
35. review with the external auditors and management the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented at an appropriate time subsequent to the implementation of such changes or improvements;
36. establish procedures to receive, record and handle complaints concerning accounting, internal accounting controls or auditing matters, including procedures for confidential, anonymous submission by employees of concerns regarding questionable auditing or accounting matters;
37. retain and determine the compensation of any independent counsel, accountants or other advisors to assist in its oversight responsibilities (the Committee shall not be required to obtain the approval of the Board of Directors for such purposes);
38. discuss any management or internal control letters or proposals to be issued by the external auditors of the Corporation;

Disclosure Controls and Procedures

39. obtain and review the statement of Corporate Disclosure Controls, Procedures and Policies prepared by the disclosure committee and, if appropriate, approve the disclosure controls and procedures set out in such statement and any changes made thereto;

40. receive confirmation from the CEO and CFO that reports to be filed with Canadian Securities commissions, the SEC and any other applicable regulatory agency:
 - (a) have been prepared in accordance with the Corporation's disclosure controls and procedures; and
 - (b) contain no material misrepresentations or omissions and fairly presents, in all material respects, the financial condition, results of operations and cash flow as of and for the period covered by such reports;
41. receive confirmation from the CEO and CFO that they have concluded that the disclosure controls and procedures are effective as of the end of the period covered by the reports;
42. discuss with the CEO and CFO any reasons for which any of the confirmations referred to in the two preceding paragraphs cannot be given by the CEO and CFO;

Legal Compliance

43. confirm that the Corporation's management has the proper review system in place to ensure that the Corporation's financial statements, reports, press releases and other financial information satisfy legal requirements;
44. review legal compliance matters with the Corporation's legal counsel;
45. review with the Corporation's legal counsel any legal matter that the Committee understands could have a significant impact on the Corporation's financial statements;
46. conduct or authorize investigations into matters within the Committee's scope of responsibilities;
47. perform any other activities in accordance with the Charter, the Corporation's by-laws and governing law the Committee or the Board of Directors deems necessary or appropriate;

Related Party Transactions

48. review the financial reporting of any transaction between the Corporation and any officer, director or other "related party" (including any shareholder holding an interest greater than 5% in the Corporation) or any entity in which any such person has a financial interest;

Reporting and Powers

49. report to the Board of Directors following each meeting of the Committee and at such other times as the Board of Directors may consider appropriate; and

50. exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board of Directors.

V. LIMITATION OF RESPONSIBILITY

While the Audit Committee has the responsibilities and powers provided by this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Corporation's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management (with respect to whom the Audit Committee performs an oversight function) and the external auditors.

SCHEDULE A

Unrelated Director

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

- (a) not a member of management and is free from any interest and any business or other relationship which could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the issuer;
- (b) not currently, or has not been within the last three years, an officer, employee of or service provider to the issuer or any of its subsidiaries or affiliates; and
- (c) not an officer, employee or controlling shareholder of a company that has a material business relationship with the issuer.

Independent Director

National Instrument – 52-110

A director is "independent" if he or she has no direct or indirect material relationship with the issuer. The following summarizes the major aspects of the National Instrument (NI52-110) relating to the independence of a director.

Certain Relationships Automatically Exclude a Director From Serving on the Audit Committee

If a director (or a member of the director's immediate family) has a specified type of relationship with the issuer (which includes the issuer's parent and subsidiary entities), then that director will not be considered independent. NI52-110 assumes that the following persons have a material relationship with the issuer (and are therefore precluded from sitting on the audit committee):

Employment Relationships

- an individual who is, or has been within the last three years, employee or executive officer of the issuer or an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;
- an individual who, or whose immediate family member, is, or has been within the last three years, an executive officer of another entity if any of the issuer's current executive officers serves or served at that same time on the compensation committee of that entity;
- an individual who received, or whose immediate family member who is employed as an executive officer of the issuer who received, more than C\$75,000 in direct compensation from the issuer during any 12 month period within the last three years (other than remuneration for acting as a member of the board of directors or any board committee of the issuer and fixed amounts received under a retirement plan for prior service with the issuer that is not contingent on continued service);

Relationships with Internal or External Auditors

- an individual who is a partner or employee of the issuer's internal or external auditor or an individual who was within the last three years a partner or employee of the issuer's internal or external auditor and personally worked on the issuer's audit within that time;
- an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual, is (i) a partner of the issuer's internal or external auditor, (ii) an employee of the issuer's internal or external auditor and participates in its audit, assurance or tax compliance (but not tax planning) practice, (iii) or an individual who was within the last three years a partner or employee of the issuer's internal or external auditor and personally worked on the issuer's audit within that time;

Advisory or Consulting Relationships

- an individual who accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than remuneration for acting as a member of the board or any board committee or as a part-time chair or vice-chair of the board or any board committee, including the indirect acceptance of a fee by an individual's spouse, minor child or stepchild, or child or stepchild who shares the individual's home or by an entity in which such individual is a partner, member, officer such as a managing director or executive officer and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer; and

Relationships with Affiliated Entities

- an individual who is an affiliated entity of the issuer or any of its subsidiary entities, where affiliated entity means a person that has the direct or indirect power to direct or cause the direction of management and the policies of the issuer or any of its subsidiary entities, whether through ownership of voting securities or otherwise (other than an individual who owns, directly or indirectly, ten percent or less of any class of voting securities of the issuer and is not an executive officer of the issuer) or an individual who is both a director and an employee of an affiliated entity or an executive officer, general partner or managing member of an affiliated entity.

The Materiality of Other Relationships is for the Board to Determine

If a director has a direct or indirect relationship with the issuer, then it will be material if, in the view of the issuer's board of directors, the relationship could reasonably interfere with the exercise of the director's independent judgement. These relationships may include commercial, charitable, industrial, banking, consulting, legal, accounting or familial relationships or any other relationship that the board considers to be material.

Exceptions to the Independence Requirement

NI52-110 provides exemptions from the independence requirements for:

- audit committee members who cease to be independent for reasons outside their control (but only for a limited period of time);
- directors appointed to the audit committee to fill a vacancy resulting from the death, disability or resignation of a member of the audit committee (but only for a limited period of time). The director appointed to fill the vacancy is also temporarily exempt from the financial literacy requirements;
- audit committee members, under exceptional and limited circumstances as determined by the board in its reasonable judgment, who are not consultants or advisors, not an affiliated entity of the issuer or any of its subsidiary entities, not an employee or officer of the issuer or an immediate family member of such and do not act as chair of the audit committee (but only for a maximum period of two years); and
- U.S. listed issuers complying with the audit committee requirements of their U.S. exchange or quotation system (provided they make the necessary disclosure in their AIF (Annual Information Form)).

New York Stock Exchange Rules

Under the New York Stock Exchange rules, the following requirements must be met to qualify as an "Independent Director":

- (a) No director qualifies as "independent" unless the board of directors affirmatively determines that the director has no material relationship with the listed company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the company). Companies must disclose these determinations.
- (b) In addition, the following persons are not independent:
 - Any director who is (or who has an immediate family member who is) an executive officer, other than on an interim basis, of the listed company;
 - any director who receives (or who has an immediate family member who receives) more than \$120,000 per year in direct compensation from the listed company ;
 - any director who is (or who has an immediate family member who is, in a professional capacity) a partner or employee of the listed company's internal or external auditor;
 - any director who is (or who has an immediate family member who is) employed as an executive officer of another company where any of the executives of the

listed company also serves or served on that other company's compensation committee; and

- any director who is an employee (or who has an immediate family member who is an executive officer) of another company that has made payments to, or received payments from, the listed company for property or services which exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues.

Three Year "Cooling Off" Period. For each of the categories above where a director is not (or is presumed not to be) independent, there is a three-year "cooling off" period. Accordingly, the existence of the prohibited relationship at any time during the preceding three years is presumed to impair independence.

Sarbanes-Oxley Act

- (a) *In General.* Each member of the audit committee of the issuer shall be a member of the board of directors of the issuer, and shall otherwise be independent.
- (b) *Criteria.* In order to be considered to be independent for purposes of this paragraph, a member of an audit committee of an issuer may not, other than in his or her capacity as a member of the audit committee, the board of directors or any other board committee:
 - accept any consulting, advisory or other compensatory fee from the issuer; or
 - be an affiliated person of the issuer or any subsidiary thereof.

Exemption Authority. The Commission may exempt from the requirements of subparagraph (b) a particular relationship with respect to audit committee members, as the Commission determines appropriate in light of the circumstances.

SCHEDULE B

Audit Committee Financial Expert

An "audit committee financial expert" must possess all of the following attributes:

- (a) an understanding of generally accepted accounting principles and financial statements;
- (b) the ability to assess the general application of such principles in connection with the accounting for estimates, accruals, and reserves;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breath and complexity of issues that can reasonably be expected to be raised by the issuer's financial statements, or experience actively supervising one or more persons engaged in such activities;
- (d) an understanding of internal control over and procedures for financial reporting; and
- (e) an understanding of audit committee functions.

The audit committee financial expert must also have acquired those attributes through:

- (a) education and experience as a principal financial officer, principal accounting officer, controller, public accountant, auditor or experience in one or more positions that involve the performance of similar functions;
- (b) experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant or auditor or person performing similar functions;
- (c) experience overseeing or assessing the performance of companies or public accountants for the preparation, auditing or evaluation of financial statements; or
- (d) other relevant experience.

"Active supervision" means the supervisor participated in, and contributed to, the process of addressing the same types of issues relating to the preparation, auditing, analysis and evaluation of financial statements as the person actually performing the work.

AGNICO-EAGLE MINES LIMITED
COMPENSATION COMMITTEE
CHARTER

This Charter shall govern the activities of the compensation committee (the "Compensation Committee") of the board of directors (the "Board of Directors") of Agnico-Eagle Mines Limited (the "Corporation").

I. PURPOSE OF COMPENSATION COMMITTEE

The Compensation Committee (the "Committee") shall advise and make recommendations to the Board of Directors in its oversight role with respect to the Corporation's strategy, policies and programs on the compensation and development of senior management and directors.

The Committee shall have the authority to delegate to one or more of its members, responsibility for developing recommendations for consideration by the Committee with respect to any of the matters referred to in this Charter.

II. COMPOSITION

The Compensation Committee shall be comprised of a minimum of three directors, each of whom shall be unrelated and independent as determined by the Board of Directors in accordance with the applicable requirements of the laws governing the Corporation, the applicable stock exchanges on which the Corporation's securities are listed and applicable securities regulatory authorities. (See Schedule A for current requirements.)

The members of the Compensation Committee shall be appointed by the Board of Directors annually at the first meeting of the Board after a meeting of the shareholders at which directors are elected and shall serve until: the next annual meeting of shareholders; they resign; their successors are duly appointed; or such member is removed from the Committee by the Board of Directors. The Board of Directors shall designate one member of the Compensation Committee as the chair of the Compensation Committee (the "Chair"), but if it fails to do so, then members of the Compensation Committee may designate the Chair by a majority vote of the full Compensation Committee membership.

III. MEETINGS

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

IV. COMMITTEE RESPONSIBILITIES AND DUTIES

The Compensation Committee's primary responsibilities are to:

1. review and assess the adequacy of this Charter at least annually and, where necessary or desirable, recommend changes to the Board of Directors;
2. review the adequacy and form of compensation of senior management and ensure that the compensation realistically reflects the risks and responsibilities of such positions;
3. review and recommend to the Board of Directors for approval policies relating to compensation of the Corporation's senior management and directors;
4. review the performance of the Corporation's senior management and recommend annually to the Board of Directors for approval the amount and composition of compensation to be paid to the Corporation's senior management;
5. review and approve the corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of these goals and objectives and set the CEO compensation based on this evaluation;
6. review the compensation sections of the management information circular distributed to the Corporation's shareholders;
7. review and make recommendations to the Board of Directors with respect to pension, stock option, restricted share unit and other incentive plans for the benefit of senior management;
8. administer the Corporation's employee stock option plan for the benefit of officers and employees of and services providers to the Corporation and its subsidiaries;
9. administer the Corporation's incentive share purchase plan ("Purchase Plan") for the benefit of participating officers and full-time employees of the Corporation and its subsidiaries, including the adoption, amendment or rescission of any rules and regulations that in the Compensation Committee's opinion may be advisable or required in the administration or operation of the Purchase Plan or any rule, regulation or documentation used thereunder;
10. administer the Corporation's Restricted Share Unit Plan for Directors, Senior Executives and Employees (the "RSU Plan") for the benefit of directors, senior executives and employees of the Corporation and its subsidiaries and to make such amendments or changes as the Committee deems necessary or desirable;
11. review the adequacy and form of compensation of directors and ensure that the compensation realistically reflects the responsibilities and risks of such positions and fix the amount and composition of compensation to be paid to members of the Board of Directors and the committees thereof;

12. review and assess the design and competitiveness of the Corporation's compensation and benefit programs generally;
13. report to the Board of Directors on all other matters and recommendations made by the Committee;
14. report to the Board of Directors following each meeting of the Committee and at such other times as the Board of Directors may consider appropriate; and
15. exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board of Directors.

SCHEDULE A

Unrelated Director

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

- (a) not a member of management and is free from any interest and any business or other relationship which could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the issuer;
- (b) not currently, or has not been within the last three years, an officer, employee of or service provider to the issuer or any of its subsidiaries or affiliates; and
- (c) not an officer, employee or controlling shareholder of a company that has a material business relationship with the issuer.

Independent Director

National Instrument – 52-110

A director is "independent" if he or she has no direct or indirect material relationship with the issuer. The following summarizes the major aspects of the National Instrument (NI52-110) relating to the independence of a director.

Certain Relationships Automatically Exclude a Director From Serving on the Audit Committee

If a director (or a member of the director's immediate family) has a specified type of relationship with the issuer (which includes the issuer's parent and subsidiary entities), then that director will not be considered independent. NI52-110 assumes that the following persons have a material relationship with the issuer (and are therefore precluded from sitting on the audit committee):

Employment Relationships

- an individual who is, or has been within the last three years, employee or executive officer of the issuer or an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;
- an individual who, or whose immediate family member, is, or has been within the last three years, an executive officer of another entity if any of the issuer's current executive officers serves or served at that same time on the compensation committee of that entity;
- an individual who received, or whose immediate family member who is employed as an executive officer of the issuer who received, more than C\$75,000 in direct compensation from the issuer during any 12 month period within the last three years (other than remuneration for acting as a member of the board of directors or any board committee of the issuer and fixed amounts received under a retirement plan for prior service with the issuer that is not contingent on continued service);

Relationships with Internal or External Auditors

- an individual who is a partner or employee of the issuer's internal or external auditor or an individual who was within the last three years a partner or employee of the issuer's internal or external auditor and personally worked on the issuer's audit within that time;
- an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual, is (i) a partner of the issuer's internal or external auditor, (ii) an employee of the issuer's internal or external auditor and participates in its audit, assurance or tax compliance (but not tax planning) practice, (iii) or an individual who was within the last three years a partner or employee of the issuer's internal or external auditor and personally worked on the issuer's audit within that time;

Advisory or Consulting Relationships

- an individual who accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than remuneration for acting as a member of the board or any board committee or as a part-time chair or vice-chair of the board or any board committee, including the indirect acceptance of a fee by an individual's spouse, minor child or stepchild, or child or stepchild who shares the individual's home or by an entity in which such individual is a partner, member, officer such as a managing director or executive officer and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer; and

Relationships with Affiliated Entities

- an individual who is an affiliated entity of the issuer or any of its subsidiary entities, where affiliated entity means a person that has the direct or indirect power to direct or cause the direction of management and the policies of the issuer or any of its subsidiary entities, whether through ownership of voting securities or otherwise (other than an individual who owns, directly or indirectly, ten percent or less of any class of voting securities of the issuer and is not an executive officer of the issuer) or an individual who is both a director and an employee of an affiliated entity or an executive officer, general partner or managing member of an affiliated entity.

The Materiality of Other Relationships is for the Board to Determine

If a director has a direct or indirect relationship with the issuer, then it will be material if, in the view of the issuer's board of directors, the relationship could reasonably interfere with the exercise of the director's independent judgement. These relationships may include commercial, charitable, industrial, banking, consulting, legal, accounting or familial relationships or any other relationship that the board considers to be material.

New York Stock Exchange Rules

Under the New York Stock Exchange rules, the following requirements must be met to qualify as an "Independent Director":

- (a) No director qualifies as "independent" unless the board of directors affirmatively determines that the director has no material relationship with the listed company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the company). Companies must disclose these determinations.
- (b) In addition, the following persons are not independent:
 - Any director who is (or who has an immediate family member who is) an executive officer, other than on an interim basis, of the listed company;
 - any director who receives (or who has an immediate family member who receives) more than \$120,000 per year in direct compensation from the listed company ;
 - any director who is (or who has an immediate family member who is, in a professional capacity) a partner or employee of the listed company's internal or external auditor;
 - any director who is (or who has an immediate family member who is) employed as an executive officer of another company where any of the executives of the listed company also serves or served on that other company's compensation committee; and
 - any director who is an employee (or who has an immediate family member who is an executive officer) of another company that has made payments to, or received payments from, the listed company for property or services which exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues.

Three Year "Cooling Off" Period. For each of the categories above where a director is not (or is presumed not to be) independent, there is a three-year "cooling off" period. Accordingly, the existence of the prohibited relationship at any time during the preceding three years is presumed to impair independence.

AGNICO-EAGLE MINES LIMITED

HEALTH, SAFETY, ENVIRONMENT AND SUSTAINABLE DEVELOPMENT COMMITTEE CHARTER

This Charter shall govern the activities of the Health, Safety, Environment and Sustainable Development committee (the "HSESD Committee") of the board of directors (the "Board of Directors" or "Board") of Agnico-Eagle Mines Limited (the "Corporation").

I. PURPOSE OF THE SUSTAINABLE DEVELOPMENT COMMITTEE

The HSESD Committee (the "Committee") shall advise and make recommendations in accordance with the [Sustainable Development] Policy to the Board of Directors in its oversight role with respect to the Corporation's, health and safety, environmental and corporate social responsibility strategy, policies, programs and performance.

The purpose of the HSESD committee is to assist the Board in regards to:

- monitoring and reviewing health and safety, environmental and community risks;
- ensuring the company's compliance with applicable legal and regulatory requirements associated with health, safety, environment and social matters;
- supporting furtherance of the company's commitment to adoption of best practices in mining operations, promotion of a healthy and safe work environment, and environmentally sound and socially responsible resource development.

The Committee shall have the authority to delegate to one or more of its members, responsibility for developing recommendations for consideration by the Committee with respect to any of the matters referred to in this Charter.

II. COMPOSITION

The HSE SD Committee shall be comprised of a minimum of three directors, a majority of whom shall be unrelated and independent as determined by the Board of Directors in accordance with the applicable requirements of the laws governing the Corporation, the applicable stock exchanges on which the

Corporation's securities are listed and applicable securities regulatory authorities. (See Schedule A for current requirements.)

The members of the 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 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. COMMITTEE RESPONSIBILITY AND DUTIES

The HSESD Committee's primary responsibilities are to:

1. On a quarterly basis, review reports by management on health, safety, environmental and community affairs;
2. On an annual basis, review a health and safety, environment and sustainable development report by management;
3. Encourage, assist, support and counsel management in developing short and long term policies and standards to ensure that the principles set out in the health, safety, environment, and community policy are being adhered to and achieved;
4. Assure that management of the Corporation is monitoring trends and reviewing current and emerging issues in the environmental, health and safety and corporate social responsibility fields, as well as evaluating their impact on the Corporation;
5. Review results of operational, health, safety and environment audits and management's activities to maintain appropriate internal and external health, safety and environmental audits;

6. Review and make recommendations in regard to the environmental, health and safety and sustainability policies and procedures;
7. Keep the Corporation's directors abreast of their duties and responsibilities related to the scope of the Committee;
8. Evaluate the effectiveness of the environment, safety and health and sustainability programs and make recommendations for improvement;
9. Review and make recommendations in regard to any health, safety and environment compliance issues;
10. Assess the health and safety, environment and sustainable development management procedures and recommend improvements, if any;
11. Determine if any health, safety, environmental or community incidents are of significance to report to the Board;
12. Review the scope of potential environmental, health and safety and social liabilities and the adequacy of the environmental, health and safety and social management systems to manage these liabilities.
13. Receive reports from management on the Corporation's corporate social responsibility performance to assess the effectiveness of the corporate social responsibility programs.
14. Make periodic visits, as individual members or as the Committee, to corporate locations in order to become familiar with the nature of the operations, and to review relevant objectives, procedures and performance with respect to health, safety, environment and community matters;
15. Request investigation of any extraordinary negative health, safety and environment performance where appropriate;
16. Report to the Board of Directors following each meeting of the Committee and at such other times as the Board of Directors may consider appropriate; and
17. exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board of Directors.

In all cases, the Committee will, where appropriate, report to the Board and make recommendations to the management of the Corporation and/or to the Board.

Responsibilities of the Chair

The Committee Chair is responsible for:

1. Establishing the frequency of Committee meetings and the agendas for meetings;
2. Providing leadership to the Committee and presiding over Committee meetings;
3. Reporting to the Board with respect to the significant activities of the Committee and any recommendations of the Committee;
4. Annually reviewing and assessing the adequacy of its mandate and evaluating its effectiveness in fulfilling its mandate; and
5. Ensuring that the Committee carries out its mandate through reasonably required steps



AGNICO EAGLE

Agnico Eagle Mines Limited World Gold Council – Conflict Gold Standards Certification Report

Executive Summary

All gold and gold-bearing materials produced by Agnico Eagle Mines Limited (“Agnico Eagle”) are in conformance with the World Gold Council’s Conflict-Free Gold Standard. The gold and gold-bearing materials produced by Agnico Eagle have been done so in a manner that does not cause, support or benefit unlawful armed conflict, or contribute to serious human rights abuses or breaches of international humanitarian law.

Background

Policy Statement

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

2013 is the first year of implementation of the Standard. This report covers all gold or gold-bearing materials dispatched by Agnico Eagle Mines Limited for the calendar year ended December 31, 2013 and has been assured by an independent assurance provider. This report will be updated annually, or as required by the Standard.

Responsibility for Conformance

The Senior Vice-President of Environment and Sustainable Development and the Vice-President Health, Safety and Community are directly responsible for corporate oversight and implementation of the Standard, and environment and community engagement. Both of these positions report to the Health, Safety, Environment and Sustainable Development Committee (“HSESDC”) of the Board of Directors.

<http://www.agnicoeagle.com/en/Sustainability/Pages/Governance.aspx>

Sustainability performance, which includes the Standard, is presented to the HSESDC of the Board of Directors at each quarterly Board meeting. The HSESDC charter can be found on the Agnico Eagle website.

Reporting boundary

The reporting boundary of this Conflict-Free Gold Report includes all mining and processing operations that Agnico Eagle has direct control over. The report does not include exploration sites and projects under development that have not entered into commercial production.

Agnico Eagle's evaluation

For the purposes of the application of Part A of the Standard, Agnico Eagle reviewed the areas of operation and the location of our mines with reference to the Heidelberg Conflict Barometer and the UN International and EU Sanctions. We concluded based on our assessment that Agnico Eagle's operations do not take place in regions that are subject to International Sanctions. However, we have two mines considered to be in areas ranked as 5 (war) or 4 (limited war), as determined by the Heidelberg Conflict Barometer. These two operations are: (1) Pinos Altos and (2) Mascota; and are located in the state of Chihuahua in Mexico.

Applying the Standard's criteria, operations that are in an area ranked as 5 (war) or 4 (limited war) within the last two years of the Heidelberg Conflict Barometer have been classified as 'conflict-affected or high-risk' and must complete all remaining assessments in Parts B–E of the Standard. For operations not considered in a 'conflict-affected or high-risk' area and where the company does not transport gold while in the custody of the producer, the remaining assessments are D and E.

With respect to the operations at Pinos Altos and Mascota we completed all remaining assessments required by the Standards, while for our operations in Canada and Finland, we completed the assessment requirements defined under sections D and E of the Standard.

The site at La India was originally considered, but was ultimately excluded for 2013 due to the fact that this is currently under development and hence not operational.

Commitment to Human Rights

Our Board of Directors has made it clear that Agnico Eagle will only do business in regions where human rights laws are respected and promoted. As a Canadian company, we maintain our commitment to the Canadian Charter of Rights and Freedoms while operating internationally, ensuring that all of our employees are treated with respect and dignity. We have our Sustainable Development Policy and have implemented a comprehensive series of programs of community involvement and relations including a program whereby we are recognised as a Socially Responsible Company in Mexico. This also includes our commitment to implement ISO26000 in 2014.

Corporate activities

As part of our commitment to Human Rights and the communities, we have established a function that is responsible for Community Relations. This function is responsible for monitoring, identifying and addressing significant issues with respect to its performance on human rights or alleged abuses of human rights or breaches of international humanitarian law within the area of our operations.

Security

For our operations in Pinos Altos and Mascota we have undertaken to bring the security function in-house, which is an approach that provides us with better control and flexibility over the hiring, retention and training of security personnel, than using either private or public security providers.

We conduct background checks with relevant authorities and our own internal assessments to assure ourselves of the quality and conviction of individuals we consider to become part of the security function. All security personnel undergo comprehensive training that includes specific topics relating to Human Rights.

Payments and benefits-in-kind

With reference to the disclosure of payments to governments, we are committed to the principles of transparency and accordingly fully committed to the requirements outlined under various initiatives to increase this. For 2012 we reported all of our payments within our Sustainability Reporting in accordance with the GRI "Publish What You Pay" initiative, and will implement new reporting requirements when introduced.

Engagement, complaints and grievances

Agnico Eagle has a whistleblower policy in place and has established a toll-free ethics hotline for anonymous reporting. Full details of the policy and the ethics hotline are posted on the company website under our Sustainability Governance report and Governance Ethics Hotline.

In addition to the "whistleblower" policy and hotline, Agnico Eagle will be implementing more formal grievance mechanisms and processes at each of our mines during 2014, following the guidelines established in "A Practical Design and Implementation Guide for Site-Level Community Response Mechanisms in the Resource Development Industry." These guidelines, developed jointly by the Mining Association of Canada and the Office of the Extractive Sector CSR Counsellor for the Government of Canada, provide a mechanism to tailor the development of processes to the individual needs of the communities in which we operate.

Nature of Gold Production

Most of the Pinos Altos ore is treated in a processing plant, with the lower grade ore heap-leached. The process plant includes crushing, grinding, gravity concentration and agitated leaching followed by counter-current decantation. Gold is recovered using the Merrill-Crowe method. The Creston Mascota ore is processed using heap-leaching; precious metals are recovered by a small carbon column circuit.

We maintain control over the extraction and transport of gold-bearing ore from the open pit and underground mines through the combination of the physical segregation of materials and the controls in place relating to access to the mine itself. The gold is processed and refined into doré on site at Pinos Altos and Mascota. This allows Agnico Eagle to retain full control of the entire process.

While awaiting transport, the doré is kept physically secure within the confines of the premises.

Control of gold at the operation

We have established processes, procedures and controls at the Pinos Altos and Mascota mines that provide control over gold and gold bearing materials. These processes and procedures are designed to limit access to appropriate individuals responsible for the milling and refining of gold from the point of entry into the mill; define boundaries and access points to the mine and the processing plants, refineries and over shipments from the mines to the refineries.

We have engaged independent consultants to conduct regular reviews to evaluate the risk of loss or theft of gold and gold-bearing materials at all stages of the processing. Where recommendations are made to enhance security we take these into consideration and will implement them based on an evaluation of the associated cost and benefits.

Transport

Our gold and gold-bearing materials are transported directly from our mines to the refinery by transport services under the direct control of the refinery itself. We have established procedures and controls over the weighing, assaying and transport of the doré that provide Agnico Eagle with a high degree of confidence in our ability to detect the loss or tampering of gold during transit to the refinery. This includes processes and procedures to reconcile between our records and those of the refinery.

Externally Sourced Gold

Agnico Eagle complies with Part D – Externally Sourced Gold Assessment as we do not source gold from third parties. Additionally, the company has produced the appropriate Management Statement of Conformance which is sent to our refiners, the next participant in the chain of custody, as required in Part E.

Conclusion

Based on our assessment of the procedures and systems in place, Agnico Eagle complies in all respects with the principles and requirements of the Standard as they relate to the control on-site and during processing as well as over the transport to the refineries of gold and gold-bearing materials at our Pinos Altos and Mascota operations.

Independent Assurance

Agnico Eagle retained Ernst & Young (“EY”), an independent assurance provider, to assess its conformance with the Standard. Ernst & Young has conducted their assessment under the Standard in respect to the period from January 1 – December 31, 2013 and confirmed that the mines identified under Section A, the Pinos Altos and Mascota operations in Mexico are in conformance with the Standard. Ernst & Young’s statement is available on our website.

If users of this report wish to provide any feedback with respect to Agnico Eagle’s adherence to the Standard or this report they should contact Louise Grondin (louise.grondin@agnicoeagle.com) at Agnico Eagle Mines Limited.

Appendix

Management Statement of Conformance

Agnico Eagle Mines Limited confirms, to the best of our knowledge, that all gold or gold-bearing material produced by the mining and processing operations over which Agnico Eagle has direct control are in conformance with the World Gold Council's Conflict-Free Gold Standard.

This Management Statement of Conformance is provided by Agnico Eagle as a requirement of the World Gold Council's Conflict-Free Gold Standard and in order to provide a good faith representation to the next participant in the chain of custody.

This Statement covers all gold or gold-bearing materials dispatched from the Pinos Altos and Mascota mines for the 2013 calendar year and will be updated annually, or as required by the Standard. It also covers those mines operating in Canada and Finland, which were initially assessed in terms of Section A.

Implementation of the World Gold Council's Conflict-Free Gold Standard was initiated in January 1, 2013. Our Statement of Conformance covers the period January 1, 2013 to December 31, 2013. Limited assurance verifying Agnico Eagle's adherence to the Standard has been completed; and Agnico Eagle's first Conflict-Free Gold Report, which describes Agnico Eagle's conformance to the requirements of the Standard as well as the independent assurance report are posted on www.agnicoeagle.com under our Sustainability report.

At Agnico Eagle we respect and value our employees because our progress is built on their competence, capacity and engagement. Norman Eeherk is an apprentice welder at Meadowbank.



TRUST

RESPECT

EQUALITY

FAMILY

RESPONSIBILITY

AGNICO EAGLE'S FIVE PILLARS

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



AGNICO EAGLE

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