



YAMANAGOLD

2014 CSR Report

CSR Report 2014

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Yamana is a Canadian-based gold producer with significant gold production, gold development stage properties, exploration properties, and land positions throughout the Americas including Brazil, Argentina, Chile, Mexico and Canada. Yamana plans to continue to build on this base through existing operating mine expansions, throughput increases, development of new mines, the advancement of its exploration properties and by targeting other gold consolidation opportunities with a primary focus in the Americas.



Our community relations efforts are guided by four pillars: local development, quality of life, education, and culture.



About this Report

This 2014 report is our seventh on Corporate Social Responsibility (CSR). It is published according to standards determined by the Global Reporting Initiative (GRI), using version G3.1 of the GRI's guidelines. The GRI (www.globalreporting.org) is a global, multi-stakeholder organization that supports a report model fostering transparency, reliability and accountability. It promotes reporting a balance among economic, social and environmental data, and provides stakeholders with a universally applicable, comparable framework for analyzing and understanding disclosed information. Although Yamana has prepared annual sustainability reports since 2006, our reports prior to 2008 were based on the Social Balance quantitative indicators of the Brazilian Institute of Social and Economic Analysis and the Ethos Institute of Social Responsibility.

This year's report addresses indicators compatible with GRI's application level B and the Metals and Mining Sector Supplement. To review the reported indicators, please see the GRI Table of Contents on page 60.

Published in Portuguese, Spanish, English and French, this report contains data and information regarding Yamana's performance for the year ended December 31, 2014, at our mines and projects in Argentina, Brazil, Canada, Chile and Mexico. We publish our CSR reports on an annual basis.

The information for this report was compiled using data collected through pre-established internal controls, in addition to interviews with Yamana's management. The labour and greenhouse gas indicators include our corporate headquarters. For environmental indicators, we base our calculations on consumption divided by the production of gold equivalent ounces (GEO).

For further information please contact us at: sustainability@yamana.com.

All amounts in this report are expressed in United States dollars unless otherwise specified.

Our Mission

To mine precious metals profitably and responsibly

Our Vision

To be the recognized leader in precious metals mining

Our Stakeholders Determine Materiality

This report is comprised of six sections: Committed to CSR, Our Governance, Our People, Health and Safety, Respecting the Environment and Caring for Our Communities. It reports on economic, environmental and social indicators that our stakeholders consider material; that is, information our stakeholders use to evaluate our company.

Yamana's stakeholders include shareholders, the investment community, employees, contractors, suppliers, local community members, regulators, governments and non-governmental organizations. We are committed to consistently and effectively engaging all of our stakeholders through investor presentations, community relations efforts, meetings with local business groups and government officials, and various forms of employee communications.

Each year, we consult our stakeholders to better understand their priorities when it comes to how we operate and perform as a business. As a result of these consultations, this report includes information on:

- environmental conservation and in particular, our efforts to responsibly manage water usage;
- our interaction with the communities we are a part of, including our socio-economic programs and investments;
- our commitment to health and safety and managing risk to our people, our operations and our communities; and
- our relationship with our employees.

For the 2014 Sustainability Report, we conducted a new stakeholder consultation to identify the most significant issues for our business and define the Materiality Matrix. This process was implemented through an online questionnaire drawn up on the basis of the GRI guidelines. The following stakeholders were consulted:

- Company management;
- Our employees;
- Government;
- Members of the communities in the vicinity of our operations;
- Representatives of the non-profit sector.

Results of the Matrix

The issues considered most significant were as follows:

Environmental Performance

- Water: find out about actions to reduce and optimize the Company's water consumption;
- Environmental conservation: find out about actions to optimize the use of natural resources and raise environmental awareness.

Economic Performance

- Transparency and Ethics: find out about actions carried out to ensure management that is transparent and in alignment with Company values and the best practices in the industry.

Social Performance

- Health and Safety: find out about Yamana Gold's management of health and safety processes, plans and activities to guarantee a suitable work environment for its employees.
- Interaction with communities and social assistance: find out about the socio-economic programs that the Company has implemented, as well as support for communities in the vicinity of its operations.



Chairman & CEO's Letter

We are pleased that in the twelve years since forming this Company we have been successful at developing a sustainable and dominant gold mining company. We see ourselves as the leader in this industry. However, we recognize that responsible mining is integral to success as a gold mining company and leadership in the gold mining industry. We are particularly pleased with our continuous improvements in our health, safety, environment and community relations performance over this twelve year period and commit to ongoing improvements and high quality performance going forward.

On our effort last year, we characterize 2014 as a year of continued volatility and uncertainty for precious metals prices and for our industry overall. In the midst of this environment, we transformed Yamana to be better positioned for success going forward. We streamlined our organizational structure. We made management more efficient. We established a Canadian presence with the

acquisition and subsequent integration of a high quality Canadian portfolio. We focused on our primary portfolio of cornerstone assets and advanced plans to reclaim value from our secondary portfolio. We continued to balance production growth with cost containment. I highlight these important events of 2014 to provide context for what we believe is equally important. We achieved all of this while continuing to emphasize the importance of delivering on our commitment to responsible mining.

In last year's report I addressed what we deemed as an unacceptable safety record in 2013, and I am pleased that in 2014 we significantly improve our performance across the various health and safety measures. We focused on applying lessons learned in previous years to ensure we had the systems, procedures and educational opportunities in place to better protect our employees and contractors. The efforts of everyone at Yamana contributed to a decrease in our lost time injury rate to approximately

25 per cent below our target rate. This impressive result, as well as other health and safety improvements discussed in this report, reflects the ongoing commitment and dedication of everyone at Yamana to prioritizing their own health and safety and that of their colleagues.

Overall, we delivered on the objectives we set out as part of our corporate social responsibility (CSR) program. In addition to our improved health and safety performance, I would like to highlight some of our efforts with respect to our employees, the environment and the communities in which we operate.

We continued to work with our local communities to ensure they are able to share in the economic benefits generated by our operations. We maintained the percentage of our work force that comes from local communities at approximately 75 per cent. We were able to increase the percentage of our purchases from local suppliers, those within 100 kilometres of our operations. We began implementation and training relating to our Supplier's Code of Conduct as part of our efforts to ensure local suppliers understand and can meet the requirements of participating in our supply chain.

We advanced our environmental stewardship efforts during the year as well. We achieved certification of full compliance at our Mercedes mine with the International Cyanide Management Code. This means that all the 100% owned operations in our primary portfolio where sodium cyanide is used are now certified fully compliant. We continue our efforts to monitor and manage our use of natural resources and as a result were able to reduce our diesel and electricity consumption per ounce produced.

As impressive as our results were in 2014, our objective is to further improve on this performance in coming years. To that end, we have elevated the importance of CSR efforts in our organizational structure by establishing the position of Senior Vice President, Health, Safety and Sustainable Development, and hired an experienced and seasoned person into that role. This new role will be responsible for the oversight, strategic development, delivery and management of Yamana's health, safety, environment and community efforts.

I would like to thank all Yamana employees, contractors and other stakeholders for their efforts during this past year. The dedication and passion of our people is the key to the success we have been able to achieve as a company. Once again, I would also like to recognize the contributions of our local communities, governments and other stakeholders. The relationships we have built and work hard to maintain are also a key to the success of Yamana.

The collective efforts of all those involved ensures that as Yamana pursues its growth objectives the commitment to social responsibility remains at the core of how we operate.

PETER MARRONE
CHAIRMAN & CHIEF EXECUTIVE OFFICER

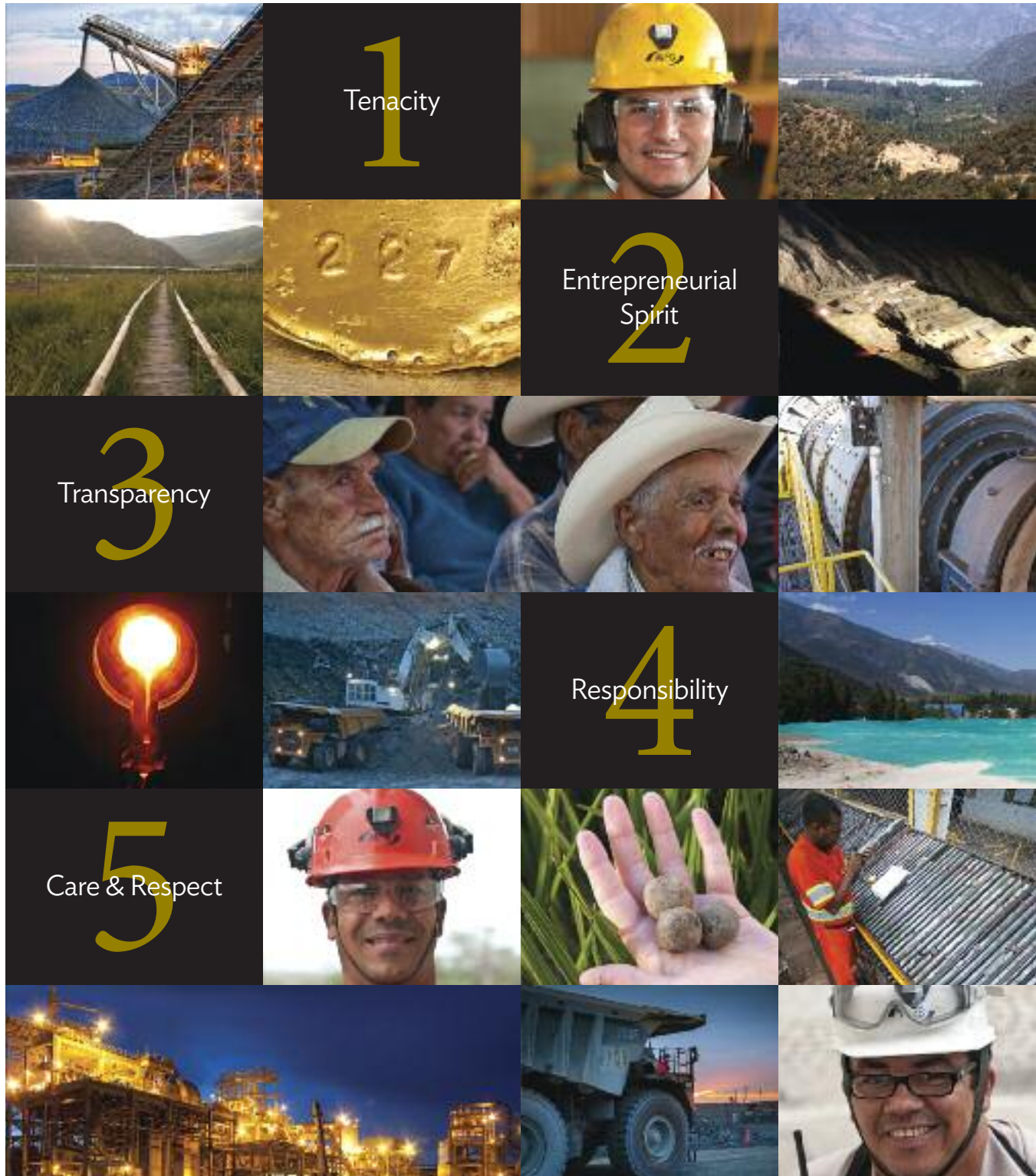
2014 Performance

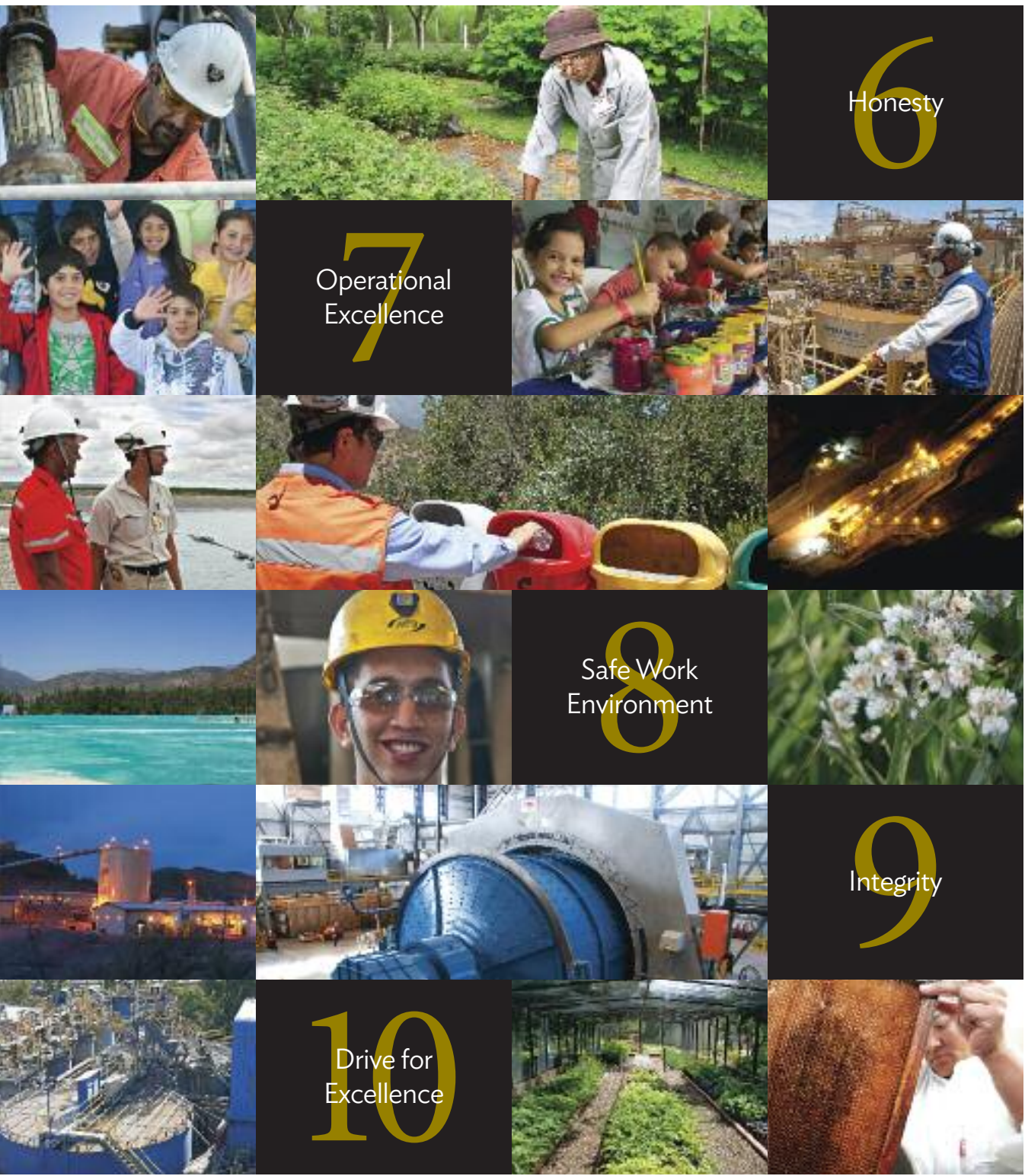
2014 GOAL	STATUS	COMMENT
Implement the Learning Management System in all the countries where we operate	Accomplished	Process completed in August 2014.
Reduce injury rates by at least 15%	Accomplished	Overall reduction of 25%.
Get the Mercedes mine recommended for certification under the International Cyanide Management Code	Accomplished	Achieved certification of full compliance at Mercedes mine with the International Cyanide Management Code in December 2014.
Improve Yamana's overburden management by establishing new management guidelines that reduce impacts and potential future liabilities	Accomplished	Substantial progress has been made to the company's operating and control procedures, including but not limited to, the improvement of the geotechnical and environmental monitoring, inspection process, maintenance programs, operating procedures and emergency response protocols.
Implement the Yamana Volunteer Program in all of Yamana's units.	Accomplished	Yamana's employee Volunteer Program was implemented across all mines in Argentina, Brazil, Chile and Mexico.
Implement the Code of Conduct for Suppliers.	Ongoing	The Code of Conduct was written, adjusted and distributed to all Third Party Suppliers at Yamana in 2014. Ongoing roll-out of the program and associated education of suppliers is ongoing; the full online automated program will be implemented in 2015 across all operating areas.

Our CSR objectives for the coming year reflect our on-going commitment to our employees, creating a culture of safety, reducing our environmental impact, and investing in the communities in which we operate:

- Reduce the lost time injury frequency by 15%
 - Improve energy efficiency at our operations through dedicated and innovative programs and projects.
 - Encourage employee volunteerism through the Yamana Volunteer Program, raising participation rates by 10% across all regions.
 - Create and implement a company-wide evaluation process for our community investments, measuring our impact and assessing all actions undertaken through our social programs.
 - Conclude and automate Code of Conduct training for suppliers, creating an annual process for completion
 - Achieve average adherence to the Yamana Management System of 90%
-

Yamana's | Ten Core Values





Our Approach | Committed to CSR

Yamana is committed to conducting business according to the letter and spirit of the law and our high standards of ethical conduct. Our core values shape the way we do business and help us to meet our commitments – to our people, the marketplace and the communities in which we operate.

At Yamana, health, safety, environmental and community relations programs and principles are integrated into all that we do. We recognize the importance of striving to meet and exceed our corporate social responsibility objectives, and the integral role our efforts play in generating value for our stakeholders.

Some of the ways in which we create economic opportunities and add to a community's general sustainability include: supporting local entrepreneurs, purchasing goods and services from local suppliers, creating job opportunities and developing infrastructure, as well as paying taxes and royalties to governments.

Economic Value Generated & Distributed

- \$4.4 million in direct community investments
- \$10.5 million in donations and sponsorships
- \$165.0 million in tax and royalty payments to local governments*
- \$142.9 million in dividends to shareholders

*2014 taxes paid were reduced by approximately \$25 million as a result of a refund for taxes paid in 2013

While 2014 was a year of continued volatility and challenges for the gold mining industry, we took steps to transform our company to be better positioned for future success. During 2014, we reduced our cost structure, focused on our cornerstone assets and restructured and strengthened our management team, and we delivered these achievements without compromising ongoing commitment to maintaining sustainable business practices. As always, we remain committed to the well-being of our employees and the communities in which we operate, and will continue to work to provide the safest and most beneficial environment possible.

2014 Highlights Corporate Social Responsibility Program

- Named one of McLean's Magazine's top 50 socially responsible corporations citing our Supplier Development Program and our Citizen Meetings in particular
 - Ranked in Corporate Knights magazine's The 50 Best Corporate Citizens in Canada
 - Implemented *Human Track*, a personalized digital identification system, at Jacobina, El Peñón and Mercedes to improve our ability in the case of an emergency to locate employees in the underground mines at these locations
 - Decreased our Lost Time Injury Rate to approximately 25% below our target rate by continually emphasizing employee safety
 - Achieved certification of full compliance at Mercedes with the International Cyanide Management Code
 - Reduced our diesel and electricity consumption per ounce produced across our portfolio by implementing new technologies, modernizing controls and improving management
 - Increased purchases from suppliers within 100 kilometres of our operations as a result of our efforts to ensure local suppliers understand our purchasing policies
-

Living our Values

We use three main tools to deliver on our commitment to operate responsibly: the Yamana Management System (YMS), the Safety, Health, Environment and Communities (SHEC) corporate committee, and our Sustainability Principles.

Our Sustainability Principles

- We continuously strive to minimize our environmental impact
- We prioritize the development of cleaner, greener and safer technologies and work closely with our suppliers to improve processes and techniques that maximize environmental protection
- We train every employee and contractor to be conscious of safety and use risk management principles in his or her daily routines and encourage them to promote responsible mining
- We review our programs and targets on a regular basis to ensure they are aligned with the expectations of our stakeholders and local communities
- We build and operate all of our sites in accordance with rigorous international environmental standards.

SHEC: Monitoring our Performance

The SHEC corporate committee is comprised of members of Yamana's senior management and corporate directors, and is responsible for discussing strategic issues and developing solutions for our mine sites. Additionally, each of our mining operations has a local SHEC committee whose goal is to measure the effectiveness and performance of the Company's sustainability programs. Chaired by the mine's general manager, every local SHEC committee meets once a month.

The corporate and local SHEC committees oversee a risk management process to help mitigate and prevent environmental and safety incidents, as well as to avert environmental and property damage. Local SHEC committees review major risks and processes, along with which actions have been taken to address and mitigate risk to an acceptable level. These actions are then checked during corporate auditing and technical visits. The corporate SHEC committee reviewed and approved this process, which has been a component of the YMS since 2012.

To manage risks related to climate change, a set of corporate standards and procedures, as well as local programming was implemented in 2014. This included efforts to further reduce our energy consumption, establish more efficient water usage techniques and improve tailings management. Targets have been set for 2015 to continue to reduce energy and water consumption at our sites, monitor our emissions output and survey geotechnical operational safety indicators at our dams.

About the Yamana Management System

The Yamana Management System (YMS) is an integrated tool used at all of our operations to assess and manage risks, identify legal and contractual requirements, define objectives and targets, and includes procedures to ensure compliance with approved policies and management programs. Developed in 2006, this system incorporates the best practices and international standards: ISO 14001 – Environmental Management System; OHSAS 18001 – Occupational Health and Safety Management System; SA 8000 – Social Accountability; the International Cyanide Management Code (ICMC); and, local laws.

Internal and external audits are conducted at our sites to check compliance with the system. We also conduct internal audits at the corporate and local levels, with corporate cross-checks indicating an 87.8% rate of adherence to our standards in 2014. In addition, the maintenance and renewal of our cyanide management (ICMC), occupational health and safety management (OHSAS – 18001), and environmental (ISO 14001) certifications require us to comply with regular external audits.

The Integrated YMS, which combines YMS with our maintenance and operations processes, carried out its first internal corporate audit in 2014, demonstrating an 85% adherence rate. Established in 2011, this program seeks to continually improve the performance of our operations, measured against both productivity and all-in costs. Based on industry best practices, working groups have been set up at our Jacobina, Chapada, El Peñón, Gualcamayo and Mercedes mines to support the implementation of these programs, improving overall process quality and reducing costs to the business. For example, using sustainability principles to increase productivity and decrease costs has resulted in savings of more than \$3.3 million per year at our Jacobina mine. These results at Jacobina illustrate how we are able to focus on responsible mining while also delivering operational performance.

JACOBINA: A CASE STUDY IN PROCESS IMPROVEMENTS USING THE INTEGRATED YMS	ANNUAL SAVINGS
Reducing in the frequency of employee downtime	\$ 664,000
Overall cost of operational materials as a result of improved productivity	\$ 343,000
Decreasing in electricity consumption	\$ 281,000
Decreasing consumption of diesel fuel	\$ 480,000
Increasing the availability of medium grinding	\$ 959,000
Reducing telephone costs	\$ 21,000
Increasing recycling efforts	\$ 554,000

A Responsible Gold Producer

Yamana Gold Inc. is a publicly-traded corporation listed on the Toronto Stock Exchange and the New York Stock Exchange under the symbols YRI and AUJ, respectively. Based in Canada, we are a gold producer engaged in gold mining and related activities including exploration, extraction, processing and reclamation. We have significant precious metal properties and land positions throughout the Americas including in Argentina, Brazil, Chile, Mexico, and Canada.

Yamana plans to continue to build on its current production base through existing operating mine expansions and the development of new mines, the advancement of its exploration properties, and by targeting other gold consolidation opportunities with a primary focus on the Americas.

Principal Products

Our principal product is gold, with its sale accounting for the majority of revenues. Yamana sells its precious metals into the worldwide commodities market at the spot price, and does not rely solely on one purchaser. We began producing gold-copper concentrate in 2007 at the Chapada mine, which significantly adds to the revenues and cash flows generated from our production. Yamana has contracts with a number of smelters, refineries and copper-trading companies to sell its gold-copper concentrate.

An Ethical Operator

At Yamana, our respect for human rights permeates all that we do and is a guiding principal of the Yamana Management System. We have also incorporated human rights into our management policies on Social Responsibility and Community and Stakeholder Relations. In 2014 we formalized our policy on human rights and are committed to ensuring, among other things, that:

- Child and forced labour will never be part of our activities;
- We do not accept any form of discrimination with regard to social class, nationality, religion, sex, sexual orientation, union membership, political affiliation, marital status, or physical characteristics;
- We adopt the practice of fair compensation to our employees, adequate to each region, as one of the factors for the maintenance of an appropriate organizational climate, retention of professionals, and socio-economic development of the company and the communities in which we operate;
- We guarantee and respect the rights of free association and collective bargaining, through nominated representatives;
- Our company does not belong to any political party, and we will not use the Company or its resources to influence the individual choices of our employees or contractors;

- We respect the communities in which we operate. Whenever possible, we prioritize the hiring of local residents for our activities, and develop programs aimed at improving their quality of life and adding to their self-sustainability; and
- We recognize the civil organization as a means to improve people's quality. We remain open to non-governmental organizations and will partner with communities to support projects aligned with our programs.

Included in the Jantzi Social Index

Yamana has been a member of the Jantzi Social Index (JSI) since early 2009. Companies included in this index must demonstrate excellence across a set of broadly based environmental, social and governance criteria. Inclusion in this index is a testament to Yamana's social, environmental, health and safety management programs, which the JSI considers to be above average.

Nature of Ownership

Yamana was continued under the Canada Business Corporations Act on February 7, 1995.

Changes During the Reporting Period

During 2014, Yamana advanced its strategic objective of establishing a Canadian presence with the joint acquisition of Canadian Malartic in Quebec and a portfolio of exploration properties in Quebec and Ontario. In addition, late in 2014, Yamana announced the creation of Brio Gold Inc. (Brio Gold), a subsidiary that holds the Fazenda Brasileiro and Pilar operations, the C1 Santa Luz project and related exploration concessions.

Economic Value Generated and Distributed

FINANCIAL HIGHLIGHTS	2014	2013	2012
Revenue (thousands)	\$ 1,835,122	\$ 1,842,682	\$ 2,336,762
Net profits (thousands)	\$ (1,194,867)	\$ (446,247)	\$ 442,064
Adjusted profits (thousands)	\$ (41,532)	\$ 273,358	\$ 694,333
Annual production (GEO)	1,400,562	1,197,559	1,201,010
Total assets (thousands)	\$ 12,538,853	\$ 11,410,717	\$ 11,800,163
Market Capitalization (thousands)	\$ 3,540,700	\$ 6,320,138	\$ 10,977,836

Our Portfolio

Yamana takes a portfolio approach to managing our assets. This approach allows us to minimize risk to our shareholders by balancing performance across our portfolio, which we continually evaluate to ensure we are delivering on our commitment to create value through growth in production and cash flow. At the end of 2014, Yamana had a primary portfolio including seven cornerstone operations and one development stage project, and a secondary portfolio including other producing mines and Brio Gold.

Our Cornerstone Assets

- Canadian Malartic | Canada
- Chapada | Brazil
- El Peñón | Chile
- Gualcamayo | Argentina
- Jacobina | Brazil
- Mercedes | Mexico
- Minera Florida | Chile
- Cerro Moro | Argentina



Commitments & Memberships

Canada

- The Canadian Chamber of Commerce
- Ontario Mining Association
- Quebec Mining Association (l'Association minière du Québec)
- Canadian Council for the Americas
- International Cyanide Management Code of the Manufacture, Transport, and Use of Cyanide in the Production of Gold (ICMC)
- Prospectors and Developers Association of Canada (PDAC)
- World Gold Council

Brazil

- Brazilian Association of Energy Consumers (Associação Brasileira dos Consumidores de Energia – ABRACE)
- Brazilian Copper Association (Associação Brasileira de Cobre – SINDICEL/ABC)
- Canadian Chamber of Commerce in Brazil
- Federation of Industries in the State of Goiás (Federação das Indústrias do Estado de Goiás – FIEG)
- Federation of Industries in the State of São Paulo (Federação das Indústrias do Estado de São Paulo – FIESP)
- Brazilian Mining Institute (Instituto Brasileiro de Mineração – IBRAM)
- Corporate Compact Against Sexual Exploitation of Children and Adolescents on Brazilian Highways (Pacto Empresarial Contra a Exploração Sexual de Crianças e Adolescentes nas Rodovias Brasileiras)

Argentina

- Argentine Chamber of Mining Developers (Cámara Argentina de Empresarios Mineiros – CAEM)
- Group of Mining Companies of the Republic (Grupo de Empresas Mineras Exploradas de la República – Gemera)
- Canadian Chamber of Commerce in Argentina

Chile

- Antofagasta Industry Association (Asociación de Industriales de Antofagasta – AIA)
- Canadian Chamber of Commerce in Chile
- Chilean Mining Council (Consejo de Minero)
- National Mining Society (Sociedad Nacional de Minería – SONAMI)

Mexico

- Canadian Chamber of Commerce in Mexico (CanCham)
- Mining Task Force, MTF
- Mexican Chamber of Mining (Cámara Minera de México – CAMIMEX)

Awards

Brazil

- Named for the sixth consecutive year as “Company of the Year in the Mining Sector” by the Brasil Mineral, Brazilian leading mining magazine.
- The Fazenda Brasileiro and Chapada mines received Green Mine Award 2014 as best environmental, social and economic initiatives carried out by mining companies.
- The Chapada mine was awarded Best Practices in Occupational Health and Safety in Emergency Responses and in Effective Systems for Worker Training by the Brazilian Mining Institute.
- The Chapada mine was also the recipient of the second National Award for Legal Sustainability in Social Responsibility and Integrated Management.
- The Fazenda Brasileiro mine was winner of the 16th Award for Excellence given by Minérios & Minerales, one of the most important Brazilian mining magazines. Yamana Brasil was ranked by Exame magazine as one of the most sustainable companies in the mining industry.
- Exame also pointed Chapada as the second largest mining company of the Brazilian Midwest.
- The Chapada mine received an award by Dupont for its Occupational Health and Safety program.
- Yamana was listed in the Brazilian Yearbook of Environment in Mining, by In The Mine magazine, due to its sustainable development indices of Brazilian mining.

Argentina

- The Gualcamayo mine received an award for Environmental Management from Revista Nacional Panorama Minero.

Mexico

- The Mercedes mine received the Socially Responsible Company seal (Empresa Socialmente Responsable) for its role in the pillar of quality in life, business ethics, community action and care and preservation of the environment.

Our Governance | Responsible & Effective

As an international mining company, we're committed to the highest standards of governance and stewardship. Our board and management recognize the importance of governance in effectively managing the company, protecting employees and shareholders and enhancing shareholder value.

Our governance practices meet the Canadian and United States requirements that apply to us, and best practices in general. We also monitor governance developments to make sure our practices continue to be current and appropriate.

Our practices meet the following Canadian requirements:

- *National Policy 58-201, Corporate Governance Guidelines* – best practice guidelines for effective corporate governance, including the composition and independence of corporate boards, their functions, the effectiveness and education of directors and other items dealing with sound governance
- *National Instrument 58-101, Disclosure of Corporate Governance Practices* – governance disclosure rules
- *National Instrument 52-110, Audit Committees* – audit committee rules about independence and financial expertise of its members.

Most of our practices also meet the corporate governance listing standards of the New York Stock Exchange (NYSE) even though we are not required to as a foreign private issuer. You can find details about how our practices differ from the NYSE standards on our website (www.yamana.com).

Core Values

We're committed to conducting business according to the letter and spirit of the law and our high standards of ethical business conduct.

Our core values shape the way we do business and meet our commitments to our people, the marketplace and the communities where we work. We believe they also help determine our success.

Yamana's 10 Core Values

- Tenacity
- Entrepreneurial Spirit
- Transparency
- Responsibility
- Care and Respect
- Honesty
- Operational Excellence
- Safe Work Environment
- Integrity
- Drive for Excellence

The Yamana Integrity Program

- Equal opportunity
 - Mutual respect and dignity
 - Commitment to fair labour practices
 - Employee health and safety
 - Maintaining privacy and confidentiality
 - Honesty
 - Fair competition
 - Avoiding conflicts of interest
 - Healthy supplier relationships
 - Anti-corruption
 - Healthy and productive relationships with communities and society (including environmental stewardship)
 - Protecting company resources and assets
 - Complying with insider trading policies
 - Respecting the internet and social media
-

Ethical Conduct

Our reputation for integrity is our most precious asset.

The board encourages and promotes a culture of integrity and ethical business conduct by:

- promoting compliance with applicable laws, rules and regulations in all jurisdictions where we do business
- providing guidance to directors, officers and employees to help them recognize and deal with ethical issues
- promoting a culture of open communication, honesty and accountability
- ensuring awareness of disciplinary action for violations of ethical business conduct.

The board takes steps to ensure that our directors, executives and employees use sound judgment and understand our code of conduct, the rules for reporting conflicts of interest, and the need to receive direction from the Lead Director and the Chairman and Chief Executive Officer (CEO) about any potential conflicts of interest.

Code of Conduct

Our code of conduct is Yamana's guide to behaviour and conduct, and protects our reputation. The code applies to everyone at Yamana regardless of title, stature or tenure. This includes our directors, executives and every employee in every country or jurisdiction where we do business, as well as any party acting on our behalf or representing us (like contractors, agents and consultants).

The code of conduct integrates our 10 core values and covers the following areas:

- conducting business
- our relationships with communities and society
- protecting company resources and assets
- asking questions and raising concerns
- annual certification and pledge.

Everyone must read the code and sign an acknowledgement every year that they will follow the standards of conduct set out in the code, ask for guidance or clarification from the legal department if they are unsure of something, and immediately report any suspected violation or breach involving our:

- directors, executives or employees
- agents or third parties acting on our behalf
- distributors, customers or end-users
- suppliers or sub-contractors
- joint venture partners.

Any potential or suspected violations of the code of conduct, or any laws, regulations or policies must be reported up the chain of command or through the Yamana Integrity Helpline (available globally 24 hours a day, seven days a week). All reports are confidential and can be made anonymously if the person wishes. There will be no retaliation against anyone who makes a report in good faith.

All reports are made to our legal department in Toronto and assigned to the appropriate department for investigation. A case manager is assigned, and all reviews and conclusions are reported back to the legal department. The legal department compiles a monthly report for the CEO and/or Chief Financial Officer (CFO) that includes the information reported through the helpline.

The CEO and/or CFO will immediately notify the chair of the audit committee of any reports of known or suspected fraud that involves an executive officer or director, an employee who has a significant role in our internal controls, or any event or series of events that indicates a deterioration of our internal controls at a Yamana mine site, project development site or office.

If a report involves the chair of the audit committee, they will bring the concern to the board of directors for follow-up.

If there is a report about a material misstatement or omission in our publicly released financial statements or other matter that could reasonably be expected to result in a restatement, a material misrepresentation or omission in our other disclosure documents, bribery of a government official or other alleged violation of anti-corruption laws or a known or suspected fraud that involves a potential cost or loss to Yamana of more than US\$10,000, the CEO and/or CFO will assess the materiality and decide whether or not to immediately report it to the chair of the audit committee.

We have had a code of conduct for several years. The corporate governance and nominating committee reviews the code from time to time and updated it in October 2014. A copy is available on our website (www.yamana.com).

About the Yamana Board

Our board is highly engaged, and committed to strong stewardship and our long-term success.

The board is made up of 10 directors who have a strong and diverse mix of skills in finance, mining, sustainability, metallurgy, mergers and acquisitions and international business. Our Chairman is Peter Marrone, who founded Yamana Gold in 2003 and also serves as CEO. One of the independent members of the board also acts as Lead Director.

Independence

The current board has nine of ten independent directors according to the board's independence criteria and governance guidelines.

A Lead Director is in place given that the roles of Chairman and Chief Executive Officer are combined, and we believe that the combined position does not detract from the effective functioning of the board. Our position is unique because our Chairman and CEO is also the founder of the company. The board believes that the passion, drive and leadership brought to bear by our founder have been instrumental in Yamana's success to date.

Share Ownership

We require members of our board to hold equity in Yamana to align the interests of our directors and shareholders. They must hold three times their annual board retainer and we value their shareholdings based on the market value or book value, whichever is higher.

Diverse and Qualified Board

A board that has a strong mix of financial, accounting and other skills, combined with business, industry and political experience, geographic representation and gender balance, provides for more effective oversight and decision-making to support our future growth.

Our directors must have seven core qualities and skills for serving on our board.

We appointed two new female directors in 2014, bringing the representation of women on the board to 20% of the directors nominated for election this year. Both of the new directors have strong financial and business experience. Christiane Bergevin is a senior executive in financial services in Canada with extensive experience in finance, engineering and construction. Jane Sadowsky is a former finance and investment banking executive with extensive US and international experience in electricity and other sectors.

The nominating and corporate governance committee initiated the search for male and female candidates with a broad, sophisticated business perspective and a combination of diverse skills, experience and personal attributes. The committee worked with the board to define specific criteria that would enhance the board's profile and strong technical skills. It worked with an external search firm to assemble a broad pool of qualified candidates and selected the strongest candidates to meet with the board.

Diversity Policy

The board has adopted a diversity policy, given its commitment to the principles of diversity and its recognition of the importance of diverse backgrounds, skills and experience and gender diversity when considering potential candidates who have the core skills and qualities for serving on our board. The board works with the corporate governance and nominating committee when assessing candidates and considers all of these characteristics, consistent with our diversity policy.

Core Skills & Qualities for serving on the Yamana board

- financial literacy
 - integrity and accountability
 - ability to engage in informed judgment
 - governance
 - strategic business development
 - excellent communication skills
 - ability to work effectively as a team
-

Role of the Board

The board is responsible for the stewardship of Yamana, supervising the management of our business and our affairs and acting in the best interests of the company and our shareholders.

Its main duties involve the following, among others:

- our strategic planning process
- identifying the principal risks of our business and ensuring we implement appropriate systems to manage these risks
- succession planning, including appointing senior management and training and monitoring their development
- establishing a communications policy to facilitate communications with investors and other interested parties
- the integrity of our internal controls and management information systems
- assessing the effectiveness of the board, its committees and the contribution of individual directors.

The board fulfills its mandate directly and through its four standing committees – audit committee, compensation committee, corporate governance and nominating committee and sustainability committee. You can find a copy of the board charter on our website (www.yamana.com).

Directors are kept informed of our operations through board meetings and reports and discussions with management on matters within their particular areas of expertise.

Risk Oversight

The board has overall responsibility for risk oversight and each board committee is responsible for overseeing risk in particular aspects of our business. Our Vice President, Risk Management leads our risk management activities and reports directly to the CFO.

We have a formal enterprise risk management (ERM) framework in place that supports management and employees across the company in identifying, assessing and mitigating our principal risks (audit and financial, sustainability, health and safety and compensation).

The framework provides current, accurate information about our major risks, and allows management to run the business more effectively by minimizing the downside risk while maximizing opportunity within our risk appetite. It involves a multi-phased approach that allows us to:

- apply appropriate resources to address the most important risks
- formally integrate risk management into our strategic planning process and business planning
- reduce operational volatility.

Risks are categorized using a risk register to assess and monitor their likelihood of occurring.

Sustainability, Health and Safety Risk Management

Adhering to sustainability, health and safety standards is a high priority.

Protecting the health and safety of our workers is paramount, and we incent senior management to focus on:

- creating a culture where health and safety is paramount and never compromised;
- ensuring strong results in safety, health and environment
- monitoring and reporting health and safety performance
- monitoring our compliance with legislative, regulatory and corporate standards for environmental, health and safety practices and issues
- recognizing and rewarding responsible behaviour

The board assesses the performance of senior management throughout the year during specific business reviews, committee meetings and regular updates on strategy development, safety, health and environmental results, business controls, and other areas that are critical to our general performance and sustainability.

Board Committees

The Board fulfills its mandate directly, and through its four, 100% independent, standing committees: audit committee, compensation committee, corporate governance and nominating committee, and sustainability committee. The Board may also appoint additional independent or *ad hoc* committees from time to time as appropriate.

Audit Committee

The audit committee provides assistance to the Board in fulfilling its financial reporting and control responsibilities to our shareholders and the investment community. Yamana's external auditors also report directly to the audit committee.

Compensation Committee

The compensation committee, composed entirely of independent directors, is responsible for recommending strategy, policies and programs for compensating and developing directors and senior management.

Corporate Governance and Nominating Committee

The corporate governance and nominating committee develops Yamana's corporate governance policies and practices, assesses the effectiveness of the Board and its committees, and leads the process for recruiting and appointing directors and ensuring their ongoing development.

Sustainability Committee

The sustainability committee assists the Board in overseeing sustainability, environmental, and health and safety matters, which include monitoring the implementation and management of our policies, procedures and practices relating to these four areas of corporate responsibility.

Our Acquisition | Establishing a Canadian Presence

In June 2014, we entered Canada with a joint acquisition, which includes the world class Canadian Malartic operation in Quebec and a portfolio of exploration properties in Quebec and Ontario.

The acquisition and integration of these assets into our portfolio represents the successful implementation of a strategic initiative begun 18-months prior. The integration of these assets into our portfolio includes ensuring our commitment to prioritizing the health and safety of our people, respecting our environment and engaging with local communities remain at the core of how we operate.

Our Canadian Malartic mine and the exploration properties, including our Kirkland Lake and Hammond Reef projects, are governed by a Management Committee comprised of four representatives from each of the two partner companies. This partnership structure provides joint management and oversight of all areas related to the operation and potential development of these assets, and is a key to ensuring our Canadian portfolio delivers on our commitment to being a responsible miner.

In 2014, we are pleased that the acquisition and reorganization of these assets did not impact the safety, health, environment and community efforts. Some of the highlights achieved during the year include:

- 15 supervisors at our Canadian Malartic mine were recognized by the Mining Association of Quebec for leading their teams for between 50,000 to 300,000 consecutive hours without any lost time accidents;
- Reduction in health and safety incidents at our Canadian Malartic mine and Kirkland Lake project compared to 2013 of 20% and 60% respectively;
- Reduction in combined frequency of health and safety incidents to a value of 1.5 which was approximately 45% below our target;
- Employees at our Canadian Malartic mine undertook over 26,000 hours of training, or approximately 38 hours per employee;
- Over 3,500 members of the public visited our Canadian Malartic mine as part of tours provided to the public, representing the highest number of visitors since the program began in 2010;
- Approximately C\$3.3 million was spent on corporate donations and direct community investments; and
- At our Kirkland Lake project, an Exploration Agreement was signed in December with the Beaverhouse First Nation.

More detailed information on the safety, health, environment and community programs within our Canadian portfolio can be found at: www.canadianmalartic.com



A Canadian Presence

The integration of these assets into our portfolio includes ensuring our commitment to prioritizing the health and safety of our people, respecting our environment and engaging with local communities remain at the core of how we operate.

Our People | Efficient & Engaged

At Yamana, we strive to create an environment where people can learn, develop and prosper. We work hard to promote diversity and hire locally whenever possible. We believe supporting our employees with the resources needed for them to achieve their individual goals ultimately benefits all stakeholders as our employees will be motivated to contribute to our collective success.

Meet Our Team

At Yamana, our people are our most valuable asset. They are responsible for driving our business forward and help to set us apart from our competition – which is why we consistently recruit, cultivate and retain some of the industry's top talent.

Hiring locally is one of key ways that we contribute to the economic health of the communities in which we operate. Approximately 75% of our employees are from local communities, with 38% of our management team coming from the states in which we operate. We recognize the opportunity to attract more women to Yamana, as women make up approximately 8% of our total workforce. That said, our Code of Conduct ensures that there is no distinction between gender, and in practice there is no distinction between each gender's salaries within the same employee category.

	EMPLOYEES	CONTRACTORS	TOTAL
Argentina	1,148	355	1,503
Brazil	2,581	2,048	4,629
Canada	107	10	117
Chile	1,895	2,105	4,000
Mexico	515	185	700
USA	13	3	16
Total	6,259	4,706	10,965

Throughout 2014, our priorities continued to focus on 5 key areas: Safety, Diversity, Training and Development, Total Rewards and Community Engagement.

Safety is a Top Priority

At Yamana, nothing is more important than ensuring the safety and well-being of our people. We believe that achieving zero accidents is possible and are committed to providing the technical training, policies and programs required to safeguard our employees.

Details on our health and safety performance during 2014 are available on page 38 of this report.

Diversity is Celebrated and Encouraged from the Top

Yamana strives to foster an open and inclusive workplace environment and strongly supports the principle that all individuals should have an equal opportunity to participate in our company and achieve their full potential. In compliance with our Code of Conduct and Corporate Governance policies, directors, officers and employees will:

- Treat each other and all members of the outside community with respect and courtesy.
- Keep our workplace free from all forms of harassment, meaning unwelcome behaviour that a reasonable person would consider to be degrading, humiliating, discriminatory or intimidating.
- Never permit factors like race, religion, colour, gender, sexual orientation, age, nationality or ethnicity to determine decisions about hiring, employment promotions, pay rates, transfers, terminations, etc. (or condone decisions by others determined by such factors).
- Never permit physical disabilities to determine work-related decisions, unless the disability prevents a person from safely doing a job and the disability cannot be reasonably accommodated.

In 2014, Yamana launched its corporate global Human Resources policies. All employment policies have been measured against international best practices when compared to high performing companies and abide by human rights legislation in the jurisdictions where we operate. Particular emphasis has been placed on the development and implementation of our workforce diversity policy. Our focus on broadening gender diversification in order to maintain the highest standards of governance and stewardship was supported by the appointment of two new female board members and an overall increase in the recruitment of female employees.

About Employees

COUNTRY	FEMALE	MALE
Argentina	82	1,066
Brazil	202	2,379
Canada	54	53
Chile	71	1,824
Mexico	33	482
USA	0	13
Total	442	5,817

Our Employees are Empowered to Learn and Grow

Yamana is focused on training and development in all regions where we operate. Performance management and the identification of high-potential candidates will continue to support our commitment to our global workforce development programs. In 2014, Yamana successfully launched and embedded our Learning Management System (“LMS”) into the business culture. This new tool helps us integrate and automate the management of training to all of our offices and operations, offering multiple learning opportunities in areas such as safety, compliance, leadership training and executive development. 7,640 sessions were run using this tool, while additional training continued to be provided to all employees, both internally and through external providers. Our goal is to further advance our training for all employees through the LMS in 2015.

Total Employee Rewards are Designed to be Fair and Competitive

We actively conduct market reviews in the regions where we operate to ensure that our total rewards programs are aligned with our overall benefits philosophy and are competitive in the region when compared to our peers in the mining industry and other relevant industries.

As was the case in prior years, in 2014, we again invested significantly in benefits for our employees. In addition to those legally required by each country, our employee benefits include: a health plan, a dental plan, group life insurance, disability coverage, a pension plan, language course scholarships, variable remuneration, and an education allowance. Our low voluntary turnover rate of 4.88% demonstrates our commitment to cultivating an attractive workplace that is aligned with international best practices.

Benefits Provided to Full-Time Employees

LEGAL BENEFITS	COVERAGE
Transportation to the mine	All full-time employees when applicable
Maternity leave	
Paternity leave	
ADDITIONAL BENEFITS	COVERAGE
Health care	All full-time employees
Dental care	
Group life insurance	
Disability Coverage	
Retirement plan	
Variable remuneration	
Other (language courses/education allowance)	All full-time employees as per individual Development Plans

Additionally, Yamana's pension plan helps our employees reach their income goals for retirement. The Company is committed to providing monetary contributions to each employee plan, based on gross annual base salary and in accordance with their years of service. All full-time, permanent employees are eligible to participate.

Health & Safety | Our Number One Priority

At Yamana, safety is the responsibility of our entire team. We have several committees, at both corporate and site level, that oversee and audit our safety performance. Our agreements with trade unions emphasize occupational health and safety, proper environmental monitoring, providing personal protection equipment, and an employee's right to refuse work that they deem unsafe.

In 2014, we conducted a workshop in Antofagasta, Chile where senior management from across the organization gathered to undertake a thorough review and analysis of our safety and incident data from previous years. The Antofagasta Pact was signed as a result of this workshop, demonstrating a strong commitment by our leaders to continually advance our safety programs, adjust and amend plans and continue to actively promote and abide by our Golden Rules in their daily actions.

We recognize that our commitment to safety extends beyond the workplace and into the communities in which we operate. As a company, we are dedicated to promoting safety and health in all aspects of our work, family and local community. In support of this mandate, we make significant investments in sustainable community development projects that improve access to and the quality of health services.

Managing our Occupational Health

We strive to equip our people with the tools, training and mindset that result in continual safety awareness. From our operations to our offices, we seek an incident-free workplace.

We start with our hiring practices, which aim to ensure everyone at our operations puts the same priority on health and safety. Once hired, each employee and contractor immediately begins learning about our standards and safety protocols. New employees and contractors undergo a minimum of 24 hours of training to learn about the hazards they might face, and the means in place to help them prevent accidents. The training includes a review of corporate policies and standards, as well as task-specific instruction designed for each operation and each worker's individual responsibilities. We provide our employees with all the personal protection equipment necessary for them to perform their functions safely and stress their right to refuse to perform a task if they deem it unsafe.

Throughout 2014, we continued to use our SharePoint system on the Company's intranet to monitor our employees' health more effectively. The system highlights specific occupational health indicators, and shares that data across our operations. We use this integrated and standardized system to monitor the number of occupational appointments, periodic exams, employees assisted, and absenteeism due to disease or accidents. We also used this tool to share 27 locally driven health campaigns carried out by our mine operations this year, addressing preventative health topics, including: smoking, alcoholism and healthy habits.

The tool assists us as we strive to develop better programming, identify local needs, and improve our occupational health management.

Tools for Managing Risk

Our local SHEC committees supervise health and safety at their sites, and meet monthly to discuss: events and incidents, adherence to standards and policies, auditing results, geotechnical assessments, and evaluate proposals to improve our performance.

In 2014, Yamana reviewed and analyzed our current systems and procedures to manage significant, recurring risks at our operations. Six categories were identified, including: rock falls, contamination due to chemicals, fire, blocked access, hazardous energy and dams. As a result, each of our operations actively reviewed their Emergency Response Plans (ERP), conducting training simulations with employees to share knowledge and ensure preparedness.

We have also implemented a host of systems that put health and safety at the forefront of our operations. The PDCA cycle (plan, do, check, act) guides our actions; and the Daily Safety Dialogue and Safety Occurrence Record reinforce safe practices by encouraging employees to identify and report areas of concern. Work permits are required before employees work at height, with heat, and in confined places; while the General Managers' safety plans for each mine are monitored monthly. Incidents are analyzed in a timely manner, and any follow up recommendations are quickly put into practice.

Accident Prevention

Every one of our operating sites has an internal Accident Prevention in Mining committee, as well as a local committee that addresses occupational health and safety matters. The committees cover all employees, and are formed by representatives of the company and of employees, who are appointed through voting by all employees. These committees, which comply with local laws, meet monthly to review incidents, adherence to standards and policies, audit results, geotechnical assessments, and evaluate proposals to improve safety performance. We also create temporary or sub-committees to manage unusual events and pre-emptively develop solutions to any potential problems.

Technology is one of the many tools we utilize to prevent accidents at our operations and mitigate risk to our people. In 2014, we implemented *Human Track* at our Jacobina, El Peñón and Mercedes mines – a digital identification system that helps to monitor every worker at an underground mine. By using this new tool, we are able to register a person's identity and location, as well as the total number of people in a given area at any time. In the event of an emergency, the system will signal an alarm, assisting emergency teams in locating our people. Human Track is currently in the design and implementation phase at all other company operations.

All of our operations have mobile radar devices installed to help monitor the speed of both company and third party vehicles in order to prevent accidents and collisions. At our Pilar mine in Brazil, we equipped all vehicles

with a chip device to help us further monitor the location and speed of light vehicles, bringing about a significant reduction in the occurrence of vehicle-related incidents across the operation. Due to the success of the program, all ore transportation vehicles will have the chip technology installed to further reduce risk in 2015.

2014 Safety Performance Indicators

We recognize that improving our safety performance requires continuous attention, investment, and most of all, commitment. At every operation, we work hard to ensure that every worker goes home safely at the end of the shift, and this resulted in a 37% reduction in the frequency of lost time injuries (LTIFR) in 2014 compared to 2013, our best annual result since Yamana was founded.

Despite these efforts, tragically, we experienced one fatality at our Mercedes mine in 2014. This case was immediately reported, investigated and the results were reviewed by senior management and the Sustainability board committee. Corrective actions were implemented and the reports were shared with leaders across our operations to strengthen and enforce our safety management procedures further to ensure all our employees understand safety is the top priority. Executive and senior management, employees, contractors and our partners continue to work together with the goal of maintaining a safe environment for every member of our team.

Year over year, we diligently and actively work to lower our All Injury Frequency Rates by implementing programs and procedures that are preventative, proactive and reduce risk. Our results for 2014 are a positive reflection of Yamana's ongoing commitment to the health and safety of our people.

SAFETY AND OTHER PERFORMANCE INDICATORS	2014	2013	2012
All Injury Frequency Rate (AIFR) *	2.58	3.04	2.84
Lost Time Injury Frequency Rate (LTIFR) *	0.18	0.29	0.4
Lost Time Injury Severity Rate (LTISR) *	53.13	217.29	68
Occupational disease rate	0	0	0
Absentee rate	0.014	2.63	2.4
Accidents without lost time	336	492	407
Lost time injuries (LTI)	27	51	66
Total lost days	8,278	38,864	11,326
Fatalities	1	5	1

* Based on 200,000 hours worked.



Committed to Safety

In 2014, several of our sites continued to demonstrate excellence, working successfully without a single lost time injury. Zero accidents were recorded in 2014 at our Pilar operation in Brazil and our Chapada mine continues to track more than 4 million hours without a lost time injury. Approximately 3 million hours were achieved without a lost time injury at El Peñón, while our Gualcamayo and Jacobina mines reported 2.8 and 2.4 million hours injury free, respectively.

Environment | Responsible & Proactive

Yamana's environmental policies reflect three areas of focus: minimizing our impact, reducing our consumption of non-renewable energy, and making all of our operations more energy efficient. Our approach is integral to all aspects of the mining process, from the exploration stage to decommissioning, and we continually monitor our performance across all of our operations.

Some highlights of our environmental program this year included:

- Conservation activities were undertaken at all sites to preserve and protect biodiversity in and around our operations.
- Implemented the energy efficiency pilot project at our Chapada mine in order to reduce our consumption of diesel and electricity at the site.
- Water flow meters were installed at our Jacobina mine to monitor water balances and recirculation levels.
- The Centre for Environmental Education officially opened its doors to the communities surrounding our Jacobina mine, providing interesting and informative programming for children and adults alike.
- At our Mercedes mine, we achieved certification and full compliance to the International Cyanide Management Code.

ENVIRONMENTAL INDICATORS	2014	2013	VARIATION
Diesel (m ³ /kGEO)	72.37	75.49	-4%
Electricity (MWh/kGEO)	686.90	689.00	-0.30%
Solid waste (t/kGEO)	11.29	11.89	-5%
Fresh water (m ³ /kGEO)	13,908.24	12,911.79	+8%

Our environmental investments in 2014 totaled US\$16,888,000 with the largest amounts spent on environmental monitoring and licensing, closure activities and waste management.

ENVIRONMENTAL INVESTMENTS	TOTAL (US\$)
Environmental studies and monitoring	3,793,000
Waste management	2,741,000
Recovery of areas	681,000
Wastewater treatment	651,000
Environmental education	31,000
Management of green areas	599,000
Certifications	159,000
Decommissioning (Closure)	4,243,000
Environmental licensing / Environmental fees	3,057,000
Other	933,000
TOTAL	16,888,000

Conserving our Biodiversity

Preserving and protecting biodiversity is a strategic pillar and helps to shape Yamana's business strategy. Yamana currently has 17,253 hectares under conservation, including areas protected by law, and areas that are of relevant interest for biodiversity. This includes 14,000 hectares at our Minera Florida mine, located within a preservation area in Chile that is managed in partnership with the Committee Altos de Cantillana. Together with the partnership, we played a central role in efforts to reintroduce the Chilean Palm tree, an endangered species, into the preservation area in 2014. We also partnered with the University of Chile to launch the Biodiversity Conservation Plan, which focuses on creating simple actions that promote the protection of the park, including: knowledge sharing and education, entry protocols for sensitive and preserved areas and community awareness programs supporting endangered species. In Brazil, we also help to protect 2,700 hectares that are adjacent to our Jacobina mine and belong to the Sete Passagens State Park.

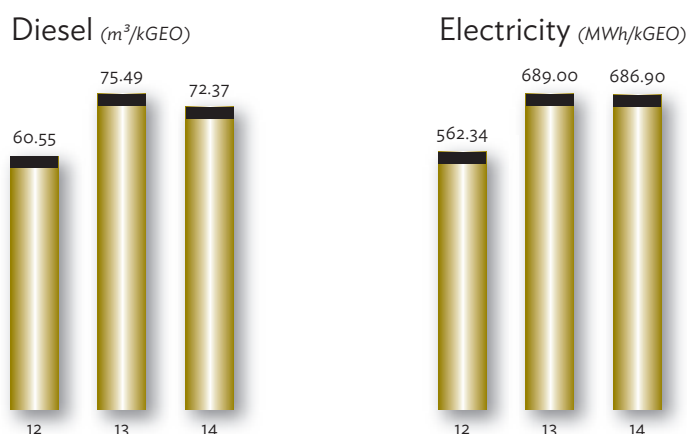
Part of our efforts to preserve and protect natural biodiversity in the regions where we operate has led our Mercedes mine to establish one of the most successful bat monitoring programs in the Americas. The species made its home in the region long before Yamana and this program ensures our activities do not interfere with its habitat or way of life. Monthly monitoring assists the gathering of data on its population, distribution and migration patterns and provides us with a means to live and work in partnership with this native species.

In compliance with our YMS standards, we have plans to manage flora, wildlife and green areas, as well as guidelines for recovering disturbed areas. We map and quantify the habits and habitats of existing species, maintain nurseries with native plants, and run reforestation projects. These activities, including reclamation, occur throughout the entire lifecycle of a mine, but can intensify during a mine's construction and

decommissioning phases. Once a mine is closed, our focus turns to rehabilitating the area, so that local wildlife and flora may flourish there once again.

Monitoring our Energy Consumption

In general, we decreased our overall consumption of energy in 2014, mainly as a result of our dedicated energy efficiency committees who developed programs, improved equipment and addressed concerns in processing performance. Our electricity consumption decreased by 0.3% from 689.00 MWh/kGEO in 2013 to 686.90 MWh/kGEO in 2014, while our diesel consumption also decreased by 4% from 75.49 m³/kGEO to 72.37 m³/kGEO.



Becoming more Energy Efficient

We are continually working to increase our energy efficiency. In 2014, the company's Energy Efficiency Committee implemented guidelines and actions to be undertaken for energy management in order to decrease our levels of energy consumption and increase our energy performance overall. By the end of 2014, our Jacobina mine reduced its electricity consumption by 3% per processed tonne compared to 2013. This was a direct result of upgrades to the maintenance systems and crushing processes, adjustments to underground mine ventilation and the overall improvement of our compressed air system.

At our Fazenda Brasileiro mine, diesel consumption decreased by 14% per tonne, as compared to 2013. Attributable to multiple factors, a key driver for this improvement was the use of performance-enhancing fuel additives. At our Gualcamayo mine, significant gains were also achieved, reducing diesel consumption by 15% as a result of the installation of a new conveyor belt system to transfer ore.

Monitoring our Water Consumption

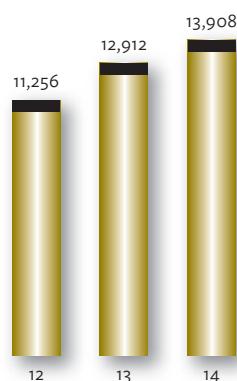
Our operations continually work to minimize their fresh water consumption and use as much recycled water as possible. Although we experienced an 8% increase in fresh water consumption compared to 2013, our control of the resource was improved with the installation of flow meters at sites across our portfolio. We continue to adjust and enhance our production cycles in order to maintain a high level of recycled water at all operations. In 2014, 76.6% of all water consumed by Yamana was recirculated back into the productive process, minimizing our fresh water intake.

TOTAL WATER WITHDRAWAL BY SOURCE (M³)

Surface water, including wetlands, rivers, lakes and oceans (m ³)	6,360,659.77
Ground water (m ³)	3,138,068.78
Rain water (m ³)	24,096.60
Water withdrawn from mine (m ³)	7,416,096.15
Total withdrawal (m ³)	16,938,921.30

For 2014 the amount consumed by the C1 Santa Luz project was not included.

Fresh Water (m³/kGEO)



Monitoring and Managing our Cyanide Use

Yamana uses sodium cyanide (“cyanide”) at its operations in compliance with the International Cyanide Management Code (ICMC). This voluntary initiative for managing cyanide in the gold production chain (gold miners, producers/handlers and cyanide transportation) was created to minimize risks to human health and the environment. Essential to the gold mining industry, cyanide is a chemical product used in many of the world’s gold mines.

As signatories of the code, all of Yamana's operations have undergone independent audits to demonstrate the implementation of the measures complying with ICMC standards. All of the operations in our primary portfolio have full code compliance certification, including our Mercedes mine, which achieved its full certification in 2014.

Yamana not only follows the code's standards, but also establishes operating procedures in its management system (YMS) to prevent cyanide-related accidents. Our facilities for the discharge and storage of cyanide follow pre-established engineering standards that focus on the prevention and containment of spills. We conduct regular inspections, preventive maintenance, and emergency simulations to prevent or contain possible accidents.

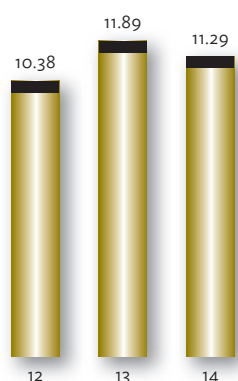
In addition, we operate a mine visitation program at certified mines to educate internal and external stakeholders about the impact of cyanide and how we manage its use to minimize risks. Visitors take part in lectures and receive educational material regarding the features and necessary precautions to avoid contamination during the transportation, unloading, storing and handling of cyanide. We also explain our practices for avoiding cyanide accidents and, in the event of an accident, how we would handle the occurrence in order to avoid any environmental impact.

Managing Solid Waste

All of Yamana's operations have a Solid Waste Management Plan that outlines how waste is separated and properly disposed of, based on defined categories. We reduced our generation of solid non-mineral waste per kGEO by 5% in 2014, largely due as a result of our efforts to seek alternative methods to generating waste, minimizing waste output, increased recycling programs and proper waste separation and disposal. Our non-mineral solid waste totaled approximately 13,752 tonnes, 38% of which was classified as hazardous.

Disposal of hazardous waste was carried out through incineration (50%), industrial landfill (15%), co-processing (4%), and re-refining (7%), while majority of non-hazardous waste disposal was carried out through sending to sanitary landfills (49%) and recycling (38%).

Solid Waste (t/kGEO)



Managing Greenhouse Gas Emissions

Yamana's goal is to continually improve the energy efficiency of all our operations. We regularly work to refine our processes in an effort to reduce our greenhouse gas emissions (GHGs), which we have monitored since 2007.

GHGs are divided into three categories depending on the source: Scope 1 (direct) GHGs are derived from sources that are owned or controlled by the reporting organization. Our principal source of Scope 1 emissions is the consumption of diesel for power generation and for our material movement with heavy equipment. Scope 2 (indirect) GHGs are generated at sources owned or controlled by another organization. Our principal source of Scope 2 emissions is purchased electricity. Scope 3 (other indirect) GHGs include emissions from business materials, travel, suppliers and commuting to work. Total Scope 1 and Scope 2 GHGs at our operations, and inclusive of our corporate and regional offices, increased by 2% and 11% respectively from 2013 to 2014, while Scope 3 GHGs decreased by 14%, as shown in the table below.

ABSOLUTE EMISSIONS (tCO ₂ equivalent)	2014	2013	2012
Scope 1	390,373.00	383,168.63	218,362.20
Scope 2	248,452.91	224,769.49	187,587.62
Scope 3	72,478.85	84,488.52	37,621.31
Total	711,304.76	692,426.64	443,571.13

In 2014, our total emissions were 711,304.76 tonnes of CO₂ equivalent, which increased by 3% from 692,426.64 in 2013. This was largely attributable to four factors, stemming from the use of diesel in large transportation vehicles, including: the need to relocate waste rock pile, installation of new mine equipment, an increase in company vehicle mileage and the growth and development of the Corpo Sul project at our Chapada mine in Brazil.

Mine Decommissioning

All of Yamana's operations have a mine decommissioning plan that aims to minimize our impact and rehabilitate the location following closure. In 2014, processes were updated at our Jacobina, Fazenda Brasileiro, Mercedes, Gualcamayo and El Peñón mines taking into consideration the unique characteristics of each operation, including cost estimates for closure, the mining process, the type of mine, the area occupied and the rehabilitation techniques used.

The decommissioning process lasts approximately five years and is normally initiated prior to mine closure, sometimes long before closure is even contemplated. Our decommissioning plans are reviewed and updated every five years, while estimated costs are updated once every year.



We aim to create programs that ensure the continuity of the local economy. Internally, Yamana seeks to reallocate employees to other operations and develop programs for professional orientation and entrepreneurship.

Post-closure, we continue to monitor vegetation, water and soil conditions, among other indicators, in accordance with international mining regulation standards.

Management of Overburden and Tailings

In 2014, 68,651 ktonnes of waste rocks and 36,165 ktonnes of tailings were generated and appropriately managed across our operations.

We have a corporate standard system in place, which is aligned with best practices, that establishes minimum requirements for implementing dams and overburden piles at each stage of mining from pre-feasibility studies to dam construction.

Based on this standard, and with the support of external specialists, we have developed a management system for tailings dams and deposits that involves operating and control procedures, as well as training sessions and periodic internal and external safety assessments, with a view toward the safe and optimal operation of these structures. The overall combination of operating and control procedures includes a variety of activities such as geotechnical and environmental monitoring, inspection, maintenance, operation, emergency response and closure.

Furthermore, Emergency Response Plans (ERP) are continually brought up to date for all our operations with dams. The ERP consists of a set of actions and procedures for outlining effective responses to emergency situations that aim to ensure the safety of the structure and the area affected by it. The ERP includes: identification and analysis of possible emergency situations; procedures for identification and notification of malfunctions or potential dam break conditions; preventive and corrective procedures to be adopted in emergency situations; mapping and identification of potentially affected areas; strategy and means of notification and alert for communities potentially affected by emergency situations.

In 2014, we were able to ensure that all waste rock and tailings handled as per our corporate standard were sent to well-designed and stable structures that respected the surrounding environment.

Our Communities | We Participate

At Yamana, we recognize that our operations impact the areas around our mine sites, bringing both opportunities and issues of concern for residents. We strive to partner with local stakeholders to understand their needs and address their questions, and to conduct our business in a way that supports strong, vibrant and sustainable communities. Consequently, our community relations efforts are guided by four pillars: local development, quality of life, education, and culture. We believe investing in these areas is the best way for us to contribute to building self-sustaining communities that will continue to prosper well beyond the life of our mines.

In 2014, some of our major achievements in community relations included:

- **LOCAL DEVELOPMENT:** Young people learned a trade at a Barrocas furniture factory, which builds furniture out of recycled wood and plastic bottles. Part of the Partnership Seminar Program at our Fazenda Brasileiro mine, a portion of the income generated at the factory is sent to Bola na Rede, a project that engages boys in education through sport.
- **QUALITY OF LIFE:** At our Gualcamayo mine, we partnered with local authorities to bring health services to 1,357 people in 10 remote regions
- **EDUCATION:** At our El Peñón mine, we provided skills training to inmates in the Taltal prison, aimed at easing their re-integration into society by offering courses on food handling and furniture production
- **CULTURE:** At our Mercedes mine, we sponsored the creation of a Mariachi featuring 11 musicians aged 7 to 14 from Magdalena Kino, a town that is close to the operation. We also delivered new guitars to Magdalena Kino's Arts and Culture Board

Local Development

Partnership Seminar Program

We conduct partnership seminars in the communities surrounding all our mines, and accept proposals that contribute to the sustainable development of local communities. Under the program, Yamana approves proposals that support local education and environmental, cultural, economic and health initiatives. We aim to invest 85% of our funding in programs that are self-sustaining. Yamana contributed \$404,000 to 104 projects under the Partnership Seminar Program in 2014.

1 CASE



FLOUR FACTORY | Nova Iguaçu de Goiás, Brazil

In 2014 the Flour Factory of the Association of Medium and Small Producers of the Ribeirão do Meio Region (AMPRIME – *Fábrica de Farinha da Associação do Médio e Pequeno Produtor da Região do Ribeirão do Meio*) was built through the Partnership Seminar, at our Chapada mine.

Our support made possible the purchase of equipment for the factory's operation and management. The factory has the capacity to produce 1,000 kg of flour per day, employs 18 staff members and generates average income of US\$ 285 per month per employee, as well as benefiting local farmers by purchasing cassava grown locally.

In addition, the Nova Iguaçu de Goiás Cooperative (COOPERNIG – *Cooperativa de Nova Iguaçu de Goiás*) was created to sell products in the region, and is also responsible for management of the factory.

2 CASE



APICULTURE | Alhué, Chile

Since 2010, our Minera Florida mine has been supporting beekeepers in the vicinity of our operations, directly or through apiculture organizations, as a way of contributing to the development of the municipality of Alhué. The goal is for beekeepers to learn about business management and best practices in apiculture and organic production. In 2014, machines for automated and manual processing of beeswax were acquired as part of the program. We also supported the celebration of the Honey Festival this year.

Communicating with Communities

At each of our mines, we conduct a social diagnosis every two years, which is a thorough review of the communities in which they operate; the impact our operations have on those communities; stakeholder identification and mapping; and a perception study that identifies how our stakeholders perceive our operations, as well as the social investments they'd like us to make. We use the results of this exercise to develop a management plan for the coming years to ensure we engage our key stakeholders and meet the needs of the communities.

Community members also have the opportunity to communicate with the company through quarterly meetings, open houses, and a grievance mechanism.

Yamana Citizen Meetings, for example, were developed to advance two-way communications with our communities. Each operating unit hosts a quarterly meeting with key stakeholders to provide updates on the operation and its results. These meetings not only promote a dialogue on community needs and concerns, they also help us understand the community's perception of our activities. In 2014, 44 meetings with more than 800 community representatives were held at all our operations and development projects in Argentina, Brazil, Chile and Mexico.

Our Open Doors Program also facilitates the ongoing and transparent communication between Yamana and our community stakeholders. Through this program, community members have the opportunity to visit our operations and learn about our business, vision, values, safety procedures and environmental management. In 2014, Yamana hosted 88 visits attended by 1,800 visitors. Hosted at all of our operations, our visitors included employees, families, students, community members and other stakeholders.

Volunteer Program

One of the highlights of 2014 was the launch of Yamana's Volunteer program. Benefitting more than 1,700 people in the regions where we operate, Yamana employees across the organization volunteered their time to partner with local organizations in an effort to help build and sustain healthy communities. At our Mercedes mine in Mexico, for example, employee volunteer groups and their families helped to provide a Christmas celebration for more than 70 socially-vulnerable children, organizing games and activities, donating gifts and delivering food.

3 CASE



CONSTRUCTION OF A KITCHEN | Jacobina City, Brazil

A kitchen was built by the employees at our Jacobina mine with materials donated by suppliers and employees, such as a refrigerator, stove and cabinets, among other things. This kitchen contributed to improvements in health and hygiene for cooperative members while further strengthening our relationship with the cooperative and encouraging volunteer efforts by employees.

Quality of Life

Integration Program

The goal of the Integration Program is to improve the quality of life of people in the communities surrounding our operations by engaging in activities that provide support in four areas: health, environment, community and family.

Integration Day, held at all our operations, is a major component of this program. Each operation's Integration Team, comprised of Yamana volunteers, conducts surveys to establish the needs of local communities and to develop a targeted program for each operation. Partnerships are established with public authorities and members of the private sector to offer volunteer services to the local community. These services include basic health care, environmental education and completion of legal documentation and issuing needed documents, all of which can have a significant impact on the quality of people's lives in rural areas.

Targeting activities specifically to each community has substantially contributed to the increasing popularity of the Integration Programs: more than 150 activities occurred, impacting more than 21,000 people, 41% more than in 2013. While the program itself saw remarkable increase, employee participation and overall impact to beneficiaries of Integration Day decreased in 2014 as a result of the change in business priorities at some of our projects, particularly in Brazil.

4 CASE



INTEGRATION PROGRAM | Gualcamayo, Argentina

At our Gualcamayo mine, the focus of the Integration Program was to promote health in the region. Undertaken in partnership with the Hospital San Roque de Jachal, our efforts brought basic health care to regions far from the urban centre. Activities took place from May to November, serving more than 1,000 people in a variety of medical fields including: gynaecology, paediatrics, clinical medicine, psychology, physiotherapy, nutrition, ophthalmology, social services and laboratory exams.

5 CASE



INTEGRATION PROGRAM | El Peñón, Chile

One of the main issues identified in our survey of community interests was dental health and in response to this our El Peñón mine worked with the municipalities of Antofagasta and Taltal, to provide dental care at two mobile consulting units. These efforts supported 70 instances of care for children and adults, and included dental care of varying ranges of complexity, as well as counselling on oral hygiene.

PEOPLE WHO HAVE BENEFITED
FROM INTEGRATION DAY

	2014	2013	2012	2011
Health	14,698	21,250	18,779	16,163
Citizenship	17,014	15,841	14,284	14,467
Environmental education and income generation	15,074	19,416	24,754	20,313
Leisure	58,346	77,424	48,792	50,230
Total	105,132	133,931	106,609	101,173

Education

Education is a central component to building strong, healthy and sustainable communities. While always a pillar of our community relations activities and investments, over the last number of years, we have increased our focus on contributing to the educational needs of the communities near our operations. Based on open and transparent dialogue with representatives from local communities, we utilize the expertise of local teachers, school boards and city councils to provide guidance on educational gaps in the region in order to maximize the effectiveness of our contribution. Throughout 2014, Yamana issued scholarships for students to complete pre-college admission tests in Argentina, Chile and Mexico; supported the development of programming in local schools and offered educational training, lectures and workshops to teachers.



ECOTECAS | Bahia, Goiás & Mato Grosso, Brazil

The ecological libraries called “Ecotecas” also continue to operate. Their structures are made of recycled materials that house a collection of approximately 5,000 books and instructional materials in a playful and interactive manner. In Brazil, 8 ecotecas have been set up in the states of Bahia, Goiás and Mato Grosso. The ecotecas help more than 6,000 children and adolescents in these communities develop positive reading habits.

Culture

In 2014, we continued to pursue cultural promotion as a way of contributing to the communities where we operate. We took part in a variety of cultural events, notably the play, “*Auto de Natal* [A Christmas celebration]” in Brazil, which provided festive entertainment for more than 17,000 people in seven municipalities in the states of Bahia, Goiás and Mato Grosso.

At our Fazenda Brasileiro, Jacobina, Chapada, and Pilar mines, mobile cinemas were set up so that populations far from the centre of town could also participate in the enjoyment of entertainment and culture.

Supporting Local Suppliers

Yamana puts a priority on sourcing goods and services through local suppliers, which as a global company, is defined as those companies with operations located within a 100-kilometre radius of our mine sites. We purchase as much as we can locally because by doing so, we are able to actively contribute to the sustainable economic development of local communities.

In 2014, purchases through local suppliers increased by 2.7% over 2013.

	2014	2013	2012
Share of purchases made in the countries where Yamana operates	93.9%	86.5%	88.0%
Share of purchases made in the provinces where Yamana operates	34.7%	37.1%	30.2%
Share of purchases made in the communities where Yamana operates	20.1%	17.4%	15.8%

	BRAZIL	ARGENTINA	CHILE	MEXICO	TOTAL
Total purchases (US\$ million)	746.9	148.1	106.9	48.4	1,050.3

Our Supplier's Code of Conduct, which was implemented in 2014 and due for completion in 2015, ensures that all suppliers in Yamana's supply chain receive a copy of our Code of Conduct and provide subsequent training to their people on our guidelines for conduct, ethics and transparency. Further, all of our contracts have human rights clauses that prohibit discrimination, the use of child or bonded labour, and ensure their employees' right to free association. For any contract greater than US\$1.0 million, periodic reviews take place through the Yamana Management System. In the event that a supplier does not comply with a certain mandate, the contract is suspended, and the supplier is granted an agreed-upon period to correct the issue before the Company decides whether or not to cancel the contract.

In Brazil, the Supplier Development Program has been another important tool in helping to increase the volume of business we conduct locally. The primary goal of the program is to help local business communities understand our needs and increase the capacity of those businesses interested in doing business with us. The program includes training on management development, worker training, and certification.



GRI INDICATOR	RESPONSES	STATUS
1. Strategy and Analysis		
1.1. Statement about the relevance of sustainability	Chairman & CEO's Letter – Page 8	Fully answered
1.2. Key impacts, risks and opportunities	Chairman & CEO's Letter – Page 8 Environment – Page 42 Additional information on all key impacts, risks and opportunities can be found in our 2014 Annual Information Form at www.yamana.com	Fully answered
2. Organizational Profile		
2.1. Name of Organization	A Responsible Gold Producer – Page 18	Fully answered
2.2. Primary brands, products, and/or services	A Responsible Gold Producer – Page 18	Fully answered
2.3. Operational structure	A Responsible Gold Producer – Page 18, 19	Fully answered
2.4. Location of the organization's headquarters	Contact Information – Page 71	Fully answered
2.5. Geographic breakdown	A Responsible Gold Producer – Page 18	Fully answered
2.6. Legal nature and ownership form	A Responsible Gold Producer – Page 18	Fully answered
2.7. Markets served	A Responsible Gold Producer – Page 18	Fully answered
2.8. Scale of the organization	A Responsible Gold Producer – Page 19 Meet Our Team – Page 34	Fully answered
2.9. Significant changes during the reporting period	Changes During the Reporting Period – Page 19	Fully answered
2.10. Awards received in the reporting period	Awards – Page 23.	Fully answered
3. Report Parameters		
Report Profile		
3.1. Reporting period	About this Report – Page 4	Fully answered
3.2. Date of most recent previous report	About this Report – Page 4	Fully answered

GRI INDICATOR	RESPONSES	STATUS
3.3. Periodicity	About this Report – Page 4	Fully answered
3.4. Information for contact	About this Report – Page 4	Fully answered
Report Scope and Boundaries		
3.5. Process for defining report content	About this Report – Page 4 Our Stakeholders Determine Materiality – Page 5, 6	Fully answered
3.6. Report boundary	All countries, regions and operations were considered in this report.	Fully answered
3.7. Scope and boundary of the report	About this Report – Page 4	Fully answered
3.8. Basis for reporting	About this Report – Page 4	Fully answered
3.9. Data measurement techniques and bases of calculations	About this Report – Page 4	Fully answered
3.10. Effects of re-statements of information	There have been no re-statements of information.	Fully answered
3.11. Significant changes from previous reporting periods	About this Report – Page 4	Fully answered
GRI Content Summary		
3.12. Location of the Information	GRI Index – Page 60	Fully answered
Assurance		
3.13. External Assurance	About this Report – Page 4	Fully answered
4. Governance, Commitments and Engagement		
4.1. Governance structure	About the Yamana Board – Page 27 Board Committees – Page 31	Fully answered
4.2. Identification of the main executive officers	About the Yamana Board – Page 27	Fully answered
4.3. Statement of the number of members from the highest governance body that are independent and/or non-executive	Independence – Page 27	Fully answered

GRI INDICATOR	RESPONSES	STATUS
4.4. Communication channels with the Board	Yamana has mechanism to ensure recommendations are received by the highest governance body from any stakeholder group (employees, trade unions, shareholders, government, communities, among others). We also have programs to identify recommendations from communities (Communicating with Communities – Page 52).	Fully answered
4.5. Linkage between compensation for members of the highest governance body, senior managers and executives (including severance packages) and the organization's performance (including social and environmental performance)	Compensation details can be found in our 2014 Management Information Circular at www.yamana.com .	Fully answered
4.6. Processes in place for the highest governance body to ensure conflicts of interest are avoided	Ethical Conduct – Page 25	Fully answered
4.7. Process for determining the qualifications and expertise of the members of the highest governance body for guidance the organization's strategy on economic, environmental, and social topics	Diverse and Qualified Board – Page 28	Fully answered
4.8. Statements of mission, values, codes of conduct, and internal principles	Our Sustainability Principles – Page 16 Core Values – Page 24 Ethical Conduct – Page 25 Code of Conduct – Page 26	Fully answered
4.9. The Board's initiatives of the evaluation of sustainability performance	Risk Oversight – Page 30 Sustainability, Health and Safety Risk Management – Page 30	Fully answered
4.10. Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental and social performance	Risk Oversight – Page 30 Sustainability, Health and Safety Risk Management – Page 30 Compensation details can be found in our 2014 Management Information Circular at www.yamana.com .	Fully answered

GRI INDICATOR	RESPONSES	STATUS
Commitments to External Initiatives		
4.11. Precautionary Approach	Our Sustainability Principles – Page 16 SHEC: Monitoring our Performance – Page 16 About the Yamana Management System – Page 17	Fully answered
4.12. Charters, principles and initiatives	Commitments and Memberships – Page 21, 22	Fully answered
4.13. Memberships in Associations	Commitments and Memberships – Page 21, 22	Fully answered
Stakeholder Engagement		
4.14. List of stakeholders	Our Stakeholders Determine Materiality – Page 5, 6	Fully answered
4.15. Identification and selection of stakeholders	Our Stakeholders Determine Materiality – Page 5, 6 Communicating with Communities – Page 52	Fully answered
4.16. Stakeholder engagement	Our Stakeholders Determine Materiality – Page 5, 6 Communicating with Communities – Page 52	Fully answered
4.17. Key topics and concerns that have been raised through stakeholder engagement, and the organization's adopted measures	Our Stakeholders Determine Materiality – Page 6 Communicating with Communities – Page 52	Fully answered
Economic Performance		
EC1. Direct economic value generated and distributed	Economic Value Generated and Distributed – Page 19	Partially answered
EC2. Financial implications and other risks and opportunities for the organization's activities due to climate change	Since 2008, the topic of climate change has been incorporated into Yamana's strategic planning. There are risks inherent in our process, such as the occurrence of torrential rains that can lead to flooding and damage to equipment and mine infrastructure; this can expose workers, neighbouring communities, and the environment to accidents from natural causes and result in the temporary interruption in production. On the other hand, the lack of rain can lead to water shortages, which affects mining operations and ore processing, hindering the control of particulate matter normally achieved through water spray. To manage these risks, the company has in place a set of corporate norms that are based on best international practices and technical norms like the Risk Management Guidelines AS/NZS 4360:2004.	Partially answered

GRI INDICATOR	RESPONSES	STATUS
EC3. Coverage of the organization's defined benefit plan obligations	Total Employee Rewards are designed to be fair and competitive – Page 36, 37	Partially answered
EC6. Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	Supporting Local Suppliers – Page 56, 57	Fully answered
EC7. Procedures for local hiring the proportion of senior management hired from the local community	Meet Our Team – Page 34	Partially answered
EC8. Development and impact of infrastructure investments; services provided primarily for public benefit by commercial, in-kind, or pro-bono engagement	The invested amount in infrastructure in the cities where Yamana operates was US\$504,000.00 in 2014.	Partially answered

Environmental Performance

EN1. Materials used	<p>In 2014, we used the following materials in our operations:</p> <p>Explosives (Kg) 24,567,752.00</p> <p>Tires (units) 4,060.00</p> <p>Cyanide (kg) 9,881,292.00</p> <p>Steel balls (kg) 20,812,283.00</p> <p>Lime (kg) 24,056,917.00</p> <p>Xanthate (kg) 447,988.00</p> <p>Diesel (litres)* 88,143,599.53</p> <p>Electricity (MWh)** 836,582.12</p> <p>* renewable part stated in EN4</p> <p>** renewable part stated in EN3</p>	Fully answered
EN2. Percentage of materials used that are recycled input materials	No recycled materials are used in the production of primary metals.	Fully answered
EN3. Direct energy consumption	Monitoring our Energy Consumption – Page 44	Partially answered
EN4. Indirect energy consumption	Monitoring our Energy Consumption – Page 44	Fully answered
EN5. Energy saved due to conservation and efficiency	Monitoring our Energy Consumption – Page 44	Fully answered
EN8. Total water withdrawal by source	Monitoring our Water Consumption – Page 45	Fully answered

GRI INDICATOR	RESPONSES	STATUS
EN9. Water sources significantly affected by withdrawal of water	At Chapada, we used 4,065,576. m ³ from “Rio dos Bois”, which represents a 49% decrease from the flow rate used in 2013. We are authorized to use up to 10,300,000 m ³ per year from this body of water, which although used by a few farms in the region, does not supply any municipalities.	Fully answered
EN10. Percentage and total volume of water recycled and reused	Monitoring our Water Consumption – Page 45	Fully answered
EN11. Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Conserving our Biodiversity – Page 43	Fully answered
EN12. Description of significant impacts on biodiversity	Conserving our Biodiversity – Page 43, 44	Partially answered
EN13. Habitats protected or restored	Conserving our Biodiversity – Page 43	Fully answered
EN14. Strategies, current actions and future plans for managing impacts on biodiversity	Conserving our Biodiversity – Page 43, 44	Partially answered
EN16. Total direct and indirect greenhouse gas emissions by weight	Managing Greenhouse Gas Emissions – Page 47	Fully answered
EN17. Other indirect greenhouse gas emissions	Managing Greenhouse Gas Emissions – Page 47	Fully answered
EN19. Emissions of ozone-depleting substances by weight	In 2014 we did not use or emit in our production process substances responsible for destroying the ozone layer.	Fully answered
EN20. NOx, SOx, and other significant emissions by type and weight	<p>In 2014 we quantified emissions of NOx and SOx resulting from the burning of diesel oil, LPG and explosives, which are common elements in mining activities, taking into account all our operating mines, with the exception of LPG for the C1 Santa Luz project, which was not quantified.</p> <p>In 2014, we recorded emissions of 721.42 tonnes of NOx and 52.96 tonnes of SOx, representing a reduction of 0.7% for NOx and 2% for SOx, compared to 2013. This reduction is due to a 6% drop in the consumption of explosives.</p>	Fully answered

GRI INDICATOR	RESPONSES	STATUS
EN21. Total water discharge by quality and destination	Ernesto/Pau-a-Pique – Córrego Cágado 110,400.00 m ³ – Treatment Method: Detox and subsequent monitoring; Jacobina – Riacho Santo Antonio 174,147.00 m ³ – Treatment Method: Effluent Treatment Station; Total volume discharged: 284,547.00 m ³ .	Fully answered
EN22. Total weight of waste by type and disposal method	Managing Solid Waste – Page 46	Fully answered
EN26. Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	Environment – Responsible & Proactive – Page 42	Fully answered
EN28. Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	A complaint was made alleging that contaminated runoff drained into a pond used by a family close to Fazenda Brasileiro. This is alleged to have occurred when the mine was run by a previous operator. Two other fines were as a result of the unauthorized cutting of timber at Chapada and Minera Florida. These three cases resulted in fines totaling US\$393,245.52. This amount increased from US\$29,193.85 in 2012, and is largely in relation to the amount paid for the first complaint.	Fully answered
EN30. Total environment protection expenditures and investments by type	Environmental Investments – Page 43	Fully answered

Social Performance – Labour Practices and Decent Work

LA1. Total workforce by employment type, employment contract and region, by gender	Meet Our Team – Page 34	Partially answered
LA2. Total number and rate of employee turnover by age group, gender and region	Meet Our Team – Page 34	Partially answered
LA3. Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	Total employee rewards are designed to be fair and competitive – Page 36, 37	Fully answered
LA4. Percentage of employees covered by collective bargaining agreements	All employees in Argentina, Brazil, Chile, and Mexico are covered by collective bargaining agreements. In Toronto (Canada) and Reno (USA) contracts are individual and comply with local policies, regardless of the employee's functional category.	Fully answered

GRI INDICATOR	RESPONSES	STATUS
LA6. Percentage of total workforce represented in formal joint management-worker health and safety committee that help monitor and advise on occupational health and safety programs	Tools for Managing Risk – Page 39 Accident Prevention – Page 39	Partially answered
LA7. Rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities by region and gender	2014 Safety Performance Indicators – Page 40	Partially answered
LA8. Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	Integration Program – Page 53, 54, 55	Fully answered
LA9. Health and safety topics covered in formal agreements with trade unions	We have a transparent partnership relationship with trade unions, and our formal agreements with them emphasize occupational health and safety, proper environmental monitoring, providing personal protection equipment, and an employee's right to refuse work that they deem unsafe.	Fully answered
LA10. Average hours of training per year, per employee, by gender and employee category	Our employees are empowered to learn and grow – Page 36	Partially answered
LA12. Percentage of employees receiving regular performance and career development reviews, by gender	47% of employees received formal evaluations and monitoring of their performance in 2014.	Partially answered
LA14. Ratio of basic salary of men to women by employee category, by major operations	Meet our Team – Page 34	Partially answered
LA15. Return to work and retention rates after parental leave, by gender	100% of men and 80% of women returned after parental leave, in accordance with current local laws.	Partially answered

Social Performance – Human Rights

HR1. Percentage and total number of significant investment agreements and contracts that include human rights clauses or that have undergone human rights screening	Supporting Local Suppliers – Page 57	Partially answered
HR4. Total number of incidents of discrimination and corrective actions taken	In 2014, we had no recorded instances of discrimination.	Fully answered

GRI INDICATOR	RESPONSES	STATUS
HR5. Operations identified in which the right to exercise freedom of association or collective bargaining may be at significant risk, and actions taken to support these rights	The Company respects its employees' rights to exercise freedom of association or collective bargaining. In 2014, there was no record of disrespect of these rights.	Fully answered
HR6. Operations and significant suppliers identified having significant risk for child labour, and measures taken to contribute to the effective abolition of child labour	In 2014, there were no recorded incidents regarding child labour. Supporting Local Suppliers – Page 57	Fully answered
HR7. Operations identified as having significant risk of forced or compulsory labour, and measures taken to contribute to the elimination of all forms of forced or compulsory labour	In 2014, there were no recorded incidents regarding forced or compulsory labour. Supporting Local Suppliers – Page 57	Fully answered
HR8. Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations	At our operational sites, 100% of our security staff received training concerning Our Code of Conduct.	Fully answered

Social Performance – Society

SO1. Percentage of operations with implemented local community engagement, impact assessments, and development programs	Our Communities – We Participate – Page 50 Communicating with Communities – Page 52	Fully answered
SO3. Percentage of employees trained in the organization's anti-corruption policies and procedures	Percentage of employees trained in anticorruption policies and procedures: Canada/US (86%), Argentina (95%), Mexico (72%), Chile (72%), Brazil (99%). The implementation of our Learning Management System has allowed us to better measure participation in our training programs and we are committed to ensuring all our employees are trained on Our Code of Conduct.	Fully answered
SO4. Actions taken in response to incidents of corruption	All reports of alleged fraudulent or corrupt activities received during 2014 have been resolved.	Fully answered
SO9. Operations with significant potential or actual negative impacts on local communities	All impacts of our operations are properly identified by specific studies and diagnostics. Actions to mitigate these impacts are taken before, during, and after the operation of the mine. In addition, the company provides a communication with the main stakeholders where information about the impacts are widely discussed and clarified.	Partially answered

GRI INDICATOR	RESPONSES	STATUS
SO10. Prevention and mitigation measures implemented in significant operations with negative impacts on local communities	Communicating with Communities – Page 52	Fully answered

Social Performance – Product Responsibility

Product and Service Labeling		
PR1. Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and categories subject to such procedures	Our product (gold) is sold rough to refineries, where it is processed in order to be sold as final product. Our product has no significant impact on people's health and safety.	Fully answered
PR3. Information on products and labeling procedures	Not relevant to Yamana Gold because our product (gold) is sold rough, reducing the packaging needs to zero.	Fully answered

Indicators – Mining and Metals Supplement

MM1. Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated	Areas altered totalled 3,598.23 ha. in 2014, areas with vegetation suppressed totalled 373.73 ha and reforested areas 103.67 ha. 59% of all lands are subject to environmental protection/conservation, including APP areas and Legal Reserves of all units; conservation area of Altos do Cantillana Park; area of Chapada Centre for Environmental Education; and Fazenda Ouro Verde at C1 Santa Luz.	Fully answered
MM2. The number and percentage of total sites identified as requiring biodiversity management plans according to state criteria, and the percentage of those sites with plans in place	Conserving our Biodiversity – Page 43, 44	Partially answered
MM3. Total amounts of overburden, rock, tailings, and sludges, and their associated risks	Management of Overburden and Tailings. – Page 49	Fully answered
MM4. Number of strike and lock-outs exceeding one week's duration by country	There were no strikes lasting more than one week in 2014.	Fully answered

GRI INDICATOR	RESPONSES	STATUS
MM5. Total number of operations taking place in or adjacent to Indigenous Peoples' territories, and number and % of operations or sites where there are agreements with Indigenous Peoples' communities	In the studies of social and environmental impacts, Yamana identifies and maps the existence of indigenous communities in or adjacent to its operations, properly safeguarding these communities' rights. In 2014, there was no record of units operating in or adjacent to Indigenous Peoples' territories.	Fully answered
MM6. Number and description of significant disputes relating to land use, customary rights of local communities and Indigenous Peoples	There were no registered significant disputes relating to land use or customary rights of local communities and Indigenous Peoples.	Fully answered
MM7. The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and Indigenous Peoples, and outcomes	There were no such disputes in 2014.	Fully answered
MM8. Number (and %) of operating sites where artisanal and small-scale mining takes place on, or adjacent to, the site; the associated risks and the actions taken to manage these risks	In an area adjacent to our Jacobina mine, Yamana has signed an agreement with the environmental protection agency to support artisanal mining cooperatives. At our C1 Santa Luz project, Yamana offers professional training to artisanal and small-scale miners. In 2014, there were no conflicts with artisanal miners.	Partially answered
MM9. Sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process	No resettlements took place at any of our sites in 2014.	Fully answered
MM10. Number, %, of operations with closure plans	Mine Decommissioning – Page 47	Fully answered
MM11. Programs and progress relating to materials stewardship	As described in PR1, gold is sold to refineries, where it is for sale as a final product.	Fully answered

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