

Material Issues Report 2020



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For information in more detail visit our website at
yamana.com/responsibility

About Yamana Gold

Yamana Gold is a Canadian-based precious metals producer with significant gold and silver production, development stage properties, exploration properties, and land positions throughout the Americas, including Canada, Brazil, Chile and Argentina. Yamana plans to continue to build on this base through expansion and optimization initiatives at existing operating mines, development of new mines, the advancement of its exploration properties and, at times, by targeting other consolidation opportunities with a primary focus in the Americas. We are committed to operating responsibly and transparently to strengthen sustainable returns to shareholders and align business and societal outcomes by creating transformational impacts for all stakeholders.



COVID-19 Response



Water



HSEC Governance | Strategy



Tailings | Waste



Our People



Climate Change



Health & Safety



Biodiversity



Social Performance



Closure



About This Report

Focusing on Material Issues and Associated Performance: the intent of this report is to focus on disclosure of priority performance information to our stakeholders, in a clear and transparent manner. This year, our report is focused more on performance metrics of material topics and new developments rather than on strategy and governance context. Fulsome descriptions of strategy and governance elements can be found under the Responsibility tab of our new website, which provides extensive detail on Yamana's approach to governance, strategy and risk management around each of the material issues identified in this report.

Determining Materiality

Through ongoing, dialogue with our stakeholders, we identify and explore specific material topics with each stakeholder group to explicitly ask which issues are most important to them and how we can best communicate our performance. This ultimately informs what is covered in this report. While formal, in-person stakeholder meetings were not possible at all of our operations as a result of the pandemic we continued to engage with stakeholders through digital means to ensure material topics were covered in our disclosures.

This report discusses and addresses performance data, challenges, and achievements identified as material through these processes in clear, non-technical language. The goal of this report continues to be to communicate transparently about our business and ensure we remain accessible and accountable to our stakeholders.

A summary of some of our key engagement mechanisms with stakeholders, as well as the primary takeaways from those sessions, is available on the Our Approach, Materiality page of our website.

Report Structure

Similar to previous years, our 2020 Material Issues Report is divided into sections based on each material topic. However, new for 2020 and going forward, this report focuses on performance-based data and other information associated with each material issue, highlighting new developments that occurred in the reporting year. This allows our year-to-year progress to be assessed and helps create disclosure that is easy to navigate.

Information that remains largely unchanged from year-to-year, including the governance, strategy, and risk management components of material issues, as well as the management systems, processes and programs, is available on the Responsibility section of our website.

The journey to improve our disclosure is a continuous and on-going process as we continue our engagement with a range of stakeholders. Some information regarding existing practices that had not been previously reported is included in this MIR for the first time. Going forward, we expect that at least some of this information will move to our website. The table on the subsequent page summarizes how we have reorganized our disclosures on material topics for 2020, and where to find additional information:

Disclosure Location

Information regarding Yamana's Material Issues	Website	MIR	GRI	TCFD	CDP	AR
Governance, strategy and risk management <i>HSEC management framework, risk management frameworks, trainings etc.</i>	●	◐	◐	◐	◐	○
Performance <i>progress against targets, resource use, statistics, etc.</i>	○	●	●	◐	◐	◐
Policies, standard practices and commitments <i>corporate policies, external/industry standards, etc.</i>	●	◐	◐	◐	○	○
Operational contexts <i>water contexts, tailings facilities, etc.</i>	●	◐	◐	◐	◐	○
Program descriptions <i>community development, energy management, etc.</i>	●	◐	○	◐	◐	○
New developments <i>new corporate commitments, publications, etc.</i>	○	●	◐	◐	◐	◐

● Extensive coverage of these topics ◐ Partial coverage of these topics ○ Limited to no coverage of these topics

Website: Yamana corporate website

MIR: Material Issues Report (this report)

GRI: Global Reporting Initiative Report disclosure. Report publicly available on Yamana website.

TCFD: Task Force on Climate-related Financial Disclosure. Report to be publicly available on Yamana website.

CDP: Formerly Carbon Disclosure Project. Report available on CDP website.

AR: Yamana's Annual Report. Report publicly available on Yamana website.

Operations Covered

This report covers all of Yamana's wholly owned and operated mines, and where applicable, exploration properties, during their ownership period. Closed properties are covered in the Closure section and are not represented in other sections within this report unless otherwise indicated. Significant changes to data in this report as compared to 2019 are in part due to the sale of the Chapada mine in July 2019.

This report does not include data pertaining to the Canadian Malartic Mine, in which we hold a 50% equity position in partnership with Agnico Eagle Mines Limited. Canadian Malartic prepares a standalone annual sustainability report, available at www.canadianmalartic.com. This report will also be available on Yamana's website www.yamana.com in mid 2021.

Data Collection

The information presented in this report was compiled at an operational level and combined and reviewed by the corporate team using internal controls. These controls are designed to enable us to evaluate our progress, mitigate our risks and remain accountable to our stakeholders. In addition to these controls, we undertook a series of discussions with Yamana's management to better inform our reporting practices, ensure topics covered are properly represented and discuss what this data means for us as a company.

Disclosure Restatement

We made a restatement of water withdrawal from our Chilean operations through our internal assurance process.

Other Disclosures

GRI Standards

The 2020 report is the thirteenth consecutive year we have disclosed information about our sustainability/ESG performance and the third year reporting under the Global Reporting Initiative's GRI Standards.

The GRI (www.globalreporting.org) is an independent organization that supports transparency, reliability and accountability in the reporting of critical sustainability issues. It is a standard used across industries allowing for a universally applicable, comparable framework for analyzing and understanding economic, social and environmental data and information.

In past years we have reported under previous versions of the GRI. For 2020, we have updated our reporting to incorporate several new or updated GRI Standards, including GRI 207: Tax 2019, GRI 303: Water and Effluents 2018, GRI 306: Waste 2020, and GRI 403: Occupational Health and Safety 2018.

While this report covers much of the information required by GRI, we also publish a standalone GRI report to ensure full alignment with the standard. The complete set of GRI Standards and our responses are available on the Responsibility Reports page of our website, which you can access by visiting www.yamana.com/responsibility.

Task Force on Climate-related Financial Disclosures

The TCFD (www.fsb-tcfd.org) is an independent organization that supports market transparency regarding climate-related risks and opportunities. It has developed recommendations for more effective climate-related disclosures to better inform investment decisions, enable stakeholders to better understand climate-related risks and opportunities, and encourage companies to incorporate climate-related risks and opportunities into their risk management and strategic planning processes.

In previous years, our Material Issues Report was structured to broadly align with the four pillars of the Task Force on Climate-related Financial Disclosures (TCFD): Governance, Strategy, Risk Management, and Metrics and Targets.

New for 2020, this report aligns more closely with the Metrics and Targets pillar by focusing on our annual performance. Information pertaining to governance, strategy, and risk management of our material issues may now be found

About This Report cont.

on the relevant pages of our website. Moreover, in 2021 we will publish a new TCFD Index that summarizes our alignment and progress against the recommendations for climate-specific disclosures, and will be available on the Responsibility Reports page of our website.

CDP

CDP (formerly the Carbon Disclosure Project) (www.cdp.net/en) collects and analyzes information on the performance and practices of companies and cities regarding climate change, forests and water security. Progress in these categories is measured and publicly scored each year by CDP, with the aim of improving transparency, identifying risks and opportunities, and incentivizing action.

Yamana has responded to the CDP Climate Change Questionnaire since 2011. 2020 will be our second year responding to the additional CDP Forests and Water Security questionnaires.

Toward Sustainable Mining

The Mining Association of Canada's (MAC; www.mining.ca) *Towards Sustainable Mining (TSM)* initiative enables mining companies to meet society's needs for mineral, metals and energy products in the most socially, economically and environmentally responsible way, based on operational-level performance improvements. The TSM protocols are globally recognized as an industry-leading practice, have been adopted by various national mining associations outside of Canada, and address eight significant business risks.

Yamana became a MAC member in 2017 and voluntarily adopted TSM in 2020. TSM is required for MAC members' Canadian operations, however as we do not currently have operations in Canada, we have voluntarily decided to implement the TSM protocols at our international operations. Our TSM implementation follows the 3-year implementation schedule as set out by MAC, starting with a self-assessment against all protocols that will be independently assured in 2022.

Responsible Gold Mining Principles (RGMPs)

The World Gold Council (WGC; www.gold.org) is the market development organization representing the gold industry. Its purpose is to stimulate and sustain demand for gold, provide industry leadership, and be the global authority on the gold market.

In September 2019, the WGC released the *Responsible Gold Mining Principles (RGMPs)*. This overarching framework includes 10 principles to promote responsible gold mining and is designed to provide confidence to investors and supply chain participants that gold has been produced responsibly. Once implemented, the RGMPs are externally assured annually.

Yamana, as a WGC member company has endorsed the RGMPs and began a three-year implementation process to meet the WGC requirements.

Conflict-Free Gold Standard and Report

The WGC has also developed the Conflict-Free Gold Standard which allows companies to provide assurance to stakeholders that gold has been produced in a way that does not contribute to, or support unlawful armed conflict.

Yamana prepares and publishes a Conflict-Free Gold Report annually. The report provides information from all of our mines, describes our security practices, as well as chains of custody to assure that our gold is truly conflict free. The report is externally assured and is available on the Responsibility Reports page of our website.

Extractive Sector Transparency Measures Act

The Extractive Sector Transparency Measures Act (ESTMA; <https://www.nrcan.gc.ca/our-natural-resources/minerals-mining/mining-resources/extractive-sector-transparency-measures-act/18180>) is Canadian federal legislation that requires businesses in the mining and oil and gas sectors to report the payments made to governments in Canada and internationally. This report is compiled annually and submitted to the Government of Canada. ESTMA

requires an equivalent level of reporting as that required by the Extractive Industries Transparency Initiative (EITI) and seeks to increase transparency on payments to all levels of government. More information regarding ESTMA's EITI equivalency to EITI is available on the EITI website at <https://eiti.org/supporter/canada>.

Mining Local Procurement Reporting Mechanism

The Local Procurement Reporting Mechanism (LPRM) was created as part of the Mining Shared Value by Engineers Without Borders Canada (www.miningsharedvalue.org/mininglprm). The LPRM is a disclosure standard that addresses the gaps in current reporting frameworks regarding mine-site level local procurement. The LPRM seeks to increase transparency about procurement processes and facilitates comprehensive reporting on local procurement spending at the site level, as well as practical details on mining company procurement processes and programs that support and better inform stakeholders.

At Yamana we are incorporating the LPRM into our reporting for the first time in 2020 to increase transparency on our procurement practices. We have integrated LPRM-aligned disclosures within our responses to the GRI Standards, available on the Responsibility Reports page of our website.

Disclosure Improvement

At Yamana, we are constantly striving to improve our reporting and transparency practices. If you have comments about the material covered in this report, or in our disclosure approach, or would like further information please contact us at: sustainability@yamana.com.

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

Coming together in a challenging time with strength and resilience.

The year 2020 was a year unlike any we have experienced with the COVID-19 pandemic exacting a terrible toll on people worldwide, straining societies and impacting businesses. It also brought out the best in human nature as we saw people come together to help and protect each other. Protecting our most vulnerable defines humanity. Within Yamana, we saw these same basic human traits expressed every day. Our employees rose to the occasion, exemplifying our values and supporting each other and the communities where we operate. I am profoundly grateful for the humanity, kindness, dedication and tenacity our employees have demonstrated over the past 15 months.



PETER MARRONE
Executive Chairman

When the scale and potential threat of the pandemic emerged in early 2020, we took quick, decisive and carefully planned actions to protect the health and safety of people in our employ and those in host communities. We provided medical and other support to host communities. We implemented preventative health measures at all of our sites and offices, including social distancing, enhanced health screening, testing, and contact tracing. We also transitioned employees to work from home wherever possible. In addition to these increased

health measures, we supported host communities with donations of personal protective equipment, hand sanitizers and respirators, provided food packages to those in need and supported local emergency planning and response measures within the communities. We continue to work collaboratively with various non-governmental organizations to help prepare host communities for successful vaccination efforts, and we are hopeful that with vaccines now being distributed around the world we may be close to turning the page on this global health crisis.

In many respects, we protected our business by helping to protect our many local stakeholders.

Another notable trend in 2020 was the sharp increase in investor attention and interest in environmental, social and governance (ESG) matters in every sector, with some reports indicating a four-fold increase in ESG investing over the course of the year. We are pleased to see this increasing interest as the elements that comprise ESG are core to our business: safeguarding the health and safety of workers, protecting the environment, responsible tailings management, maintaining and enhancing our privilege to operate and implementing principles of good governance. We believe that ESG excellence is essential for us to succeed and grow as a profitable business.

This commitment is reflected in the exceptional performance of our operations in 2020 with a 14% decrease in our Total Recordable Injury Rate and a 16% increase in trust and acceptance within host communities, as measured by our Social License to Operate (SLO) Index. These are major accomplishments on their own, let alone in the face of a global pandemic.

We took steps to strengthen our ESG performance in 2020 by committing to the implementation of two reputable, internationally recognized sustainability frameworks:

The Mining Association of Canada's (MAC) Towards Sustainable Mining (TSM) initiative and the World Gold Council's Responsible Gold Mining Principles (RGMPs). Incorporating the tenets of these best-in-class frameworks will continue our journey to improve operational performance across all sustainability functions. In tailings management, our team is working to incorporate the requirements of the Global Industry Standard on Tailings Management, released in August 2020. This standard is catalyzing a new level of focus on responsible tailings management and a renewed commitment to safe and stable tailings storage facilities. The industry welcomes this new standard, as evidenced by recent changes by MAC to its industry-leading tailings guides.

To further our commitment to ESG excellence, we began a review of our policies and public disclosures across the Company, with the objective of improving transparency and strengthening our commitments in mid-2020. This multidisciplinary project involves people from Health, Safety and Sustainable Development, Legal, Risk, Procurement, Finance, Tax and Human Resources. Some changes have already been incorporated into our 2020 disclosure and we are targeting early in the third quarter of 2021 to complete the project. We invite you to follow these developments on our website and in this Material Issues Report.

“The challenges we experienced in 2020, and our responses, have made us a stronger and more resilient company.”

We believe ESG excellence drives operational performance, which in turn translates into privilege to operate, driving reputation and value. This is the mining ESG value chain. We know that the commitment and hard work of our employees to achieve ESG excellence is being noticed by host communities, investors and ESG ratings agencies, as demonstrated by our strong SLO results and continued external recognition and ratings.

The last initiative that I will mention is perhaps our most significant ESG development – our Climate Action Strategy. Developed in late 2020 and approved by the Board in early 2021, the strategy builds on our previous climate change adaptation work, which focused on mitigating and adapting to our physical, regulatory and operational risks related to climate change. Our new strategy underscores our commitment to the transition to a low-carbon future and is underpinned by the adoption of a science-based 2° Celsius scenario compared to pre-industrial levels (meeting the target established by the Paris Climate Agreement) and an aspirational net-zero by 2050 target. We also committed to implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Foundational work will be performed in 2021 through a multidisciplinary climate working group to determine our

emissions baseline, development of greenhouse gas (GHG) abatement pathways, and build operations-specific roadmaps that fully articulate the abatement pathways, projects and estimated costs. These actions will help to ensure that our long-term GHG reduction targets are supported by practical, realistic and operationally-focused actions. Additional information about this strategy is available in this report as well as our TCFD report that will be published later this year.

While 2020 was a year like no other, our entire team reacted with calm resilience in the face of the uncertainty, working together to adapt quickly to the changing circumstances. These attributes are a hallmark of our Company. I believe that the subsequent pages of this report will portray an unwavering commitment to responsible mining and ESG excellence.

I would like to express my sincere gratitude and appreciation to Yamana’s employees for their dedication and commitment throughout the year in the face of true adversity and uncertainty. I could not be more proud of the Company we have built together. Finally, I would like to express my gratitude to our board of directors without whose support many of our initiatives and programmes would not be possible. I find that often in assessments and discussions about ESG matters there

is a tendency to underemphasize the importance of governance, and we should not. Governance drives attitudes and creates culture. Personally, I am overtly proud of the many initiatives and steps we have put in place and taken over the last several years to improve our governance and allow our culture to mature to this heightened level of respect, tolerance and support for health, safety, environmental and community matters.

“Peter Marrone”

PETER MARRONE
Executive Chairman



As demand for Personal Protective Equipment grew in response to COVID-19 some Yamana operations (Jacobina pictured above) worked with small local businesses to help shift their production to the creation of face masks. These face masks helped to support local communities as well as Yamana employees in combating the COVID-19 virus.

Strong HSEC performance continues to support growing trust and acceptance with host communities.

Welcome to our 2020 Material Issues Report. There was no better test of our *One Team, One Goal: Zero* vision than 2020. The challenges brought on by the COVID-19 pandemic were unparalleled, but I can say with great pride, that our people and community partners rose to the occasion to not only support and protect one another, but deliver on an exceptional year of environmental, social and governance (ESG) performance. The efforts of our employees, contractors and suppliers to abide by the COVID-19 prevention protocols meant our operations continued to operate through the year, supporting families and host communities at a time when so many peoples' lives and livelihoods were adversely affected.



DANIEL RACINE
*President and Chief
Executive Officer*

The health and wellbeing of our employees, contractors and people in host communities is at the heart of our approach to responsible business. In 2020, we prioritized COVID-19 prevention by deploying rigorous prevention and control protocols across our operations. Our Corporate and Operational Crisis Response Committee was in continuous consultation with medical experts and local and state governments to provide our people and host communities with timely and accurate information. We took

decisive action to help assure their protection in a fluid and rapidly-evolving environment. These ongoing measures include daily screening and testing of employees for COVID-19, provisions and support for exposed workers to self isolate, diligent use of personal protective equipment (PPE), increased attention on hygiene practices, enhanced cleaning and disinfection, onsite physical distancing, including reducing capacity in buses that transport workers to and from the jobsite, and eliminating unnecessary visits and travel.

These protocols and our meticulous adherence to them allowed us to keep operating throughout most of the pandemic, with both the support of host communities and governments. Our Chilean operations' incredible efforts were recognized by the Chilean Safety Association (ACHS), with our Minera Florida and El Peñón mines being the first and second underground mining operations in the country, respectively, to receive a *COVID Seal*, recognizing 100% compliance with virus prevention and control standards.

Our COVID-19 support measures reached far beyond our own operations and offices, with donations of over \$1 million dollars to host communities to support their pandemic control efforts, address food security for vulnerable peoples, and alleviate stresses on local and regional healthcare units. In Argentina, Brazil and Chile, we donated food and critical supplies, including facemasks, hand sanitizer, testing equipment, respirators, and other medical equipment, in addition to volunteering our own medical teams, beds and other supplies from camps to reinforce local frontline efforts. Some operations also worked with small local businesses to help them shift production toward COVID-19 support areas, such as the production of facemasks, both for Yamana and for the broader community. With pandemic focus now shifting to a global vaccination

strategy, we too have pivoted, and we are partnering with various national non-governmental organizations to help prepare host communities for effective vaccination campaigns.

The battle with COVID-19 has been long and we now see light at the end of the tunnel. The challenges we experienced in 2020, and our responses, have made us a stronger and more resilient company.

Health & Safety

Our health and safety performance has historically been strong, with year-over-year improvements for more than five straight years. The year 2020 was no exception, despite the significant COVID-19 burdens placed on our operations. Yamana's Total Recordable Injury Rate (TRIR) for 2020 was 0.49, one of the lowest in our peer group, and a 35% decrease from our 2017 TRIR. Most importantly, 2020 was another year with zero fatalities.

As a testament to our operations' attention to incident investigation and injury and ill-health prevention, 2020 marked the third consecutive year that all of our operations surpassed their reporting targets for leading safety and health indicators. Building on our current High Potential Incidents and Significant Incident Reporting practices, we introduced a new indicator that measures incident investigation quality to ensure that the best possible

Over
\$1 million
to support COVID-19
relief efforts

35%
decrease in TRIR
over 3 years

Over
90,000
beneficiaries from our
Integrar Program

corrective actions are identified and implemented to decrease the likelihood of future incidents. All sites surpassed their incident investigation quality target of 85%, and once again met the health and safety components of their Health, Safety, Environment and Community (HSEC) Improvement Plans.

Communities

Adaptation was an important theme of our community relations teams in 2020 due to the pandemic. Working closely with our site health and safety and crisis management teams, our community relations teams worked tirelessly with local authorities to support and build host communities' crisis preparedness and response capabilities. Our teams worked to support local healthcare facilities, while also ensuring vulnerable people received the support they needed to overcome their individual challenges. Though the pandemic prevented us from carrying out traditional in-person engagement for much of the year, our teams adapted quickly, engaging communities through various digital and phone-based platforms.

Despite our 2020 challenges, trust and acceptance within host communities not only remained strong but increased 16% towards the end of the year as measured by our Social License to Operate (SLO) Index. The improvement reflects our pandemic response in each

jurisdiction, confirmed by specific feedback through our SLO Index, which indicated a 75% approval rate of Yamana's commitment to protect employees and communities from COVID-19.

With over \$1 million spent on COVID-19-related support to host communities, our total community investments, donations and sponsorships amounted to nearly \$8 million in 2020, a notable increase from 2019 levels despite having one fewer operation. Our community development programs reached more than 90,000 beneficiaries in surrounding communities through our *Integrar Programs* and other initiatives. Perhaps the most important indicators of our support towards community resilience in the face of COVID-19, we maintained 67% local employment and 43% of procurement spending was done locally and regionally in 2020.

Environment

While our community relations and health and safety programs were thrust into the spotlight in 2020 because of the pandemic, our environmental performance also remained strong. Two of the most important indicators of environmental excellence are zero discharges of process water and a sixth consecutive year without any material spills across the operations. We also saw lower water consumption in 2020 from

“75% approval rate of Yamana’s commitment to protecting employees and communities from COVID-19”

our four wholly-owned operations, with a decrease of 47% from 2019. Similarly, energy consumption, in the form of electricity and fuel, dropped by 44% last year, and we saw a 39% decrease in absolute combined Scope 1 and 2 greenhouse gas (GHG) emissions. A large percentage of these reductions are the result of the sale of the Chapada mine in July 2019 and operational changes and interruptions due to COVID-19 restrictions. However, as Peter mentioned in his message, we are proudly embarking on our new Climate Action Strategy that commits Yamana to do its part for a low-carbon future.

Tailings dam safety and responsible tailings management have always been a top priority for Yamana. The most important highlights regarding tailings management are the fact that our tailings storage facilities were stable during the year and that we began the important work of updating our tailings management framework, fulfilling our commitment to align with evolving international best practice, including the Global Industry Standard on Tailings Management, released in August 2020.

Although we prepare this report to provide a transparent and objective view of Yamana's ESG performance, I hope it also clearly communicates our commitment to ESG excellence and how capable and dedicated our teams are to deliver these results — even in the face of a global

pandemic. Amid these challenging and uncertain times, I am certain of one thing: that Yamana has the values, people, culture and capacity to be a responsible gold producer and continually improve toward our vision of *One Team, One Goal: Zero*.

“Daniel Racine”

DANIEL RACINE

President and Chief Executive Officer



COVID-19 defined 2020 around the world. As a company, **we reacted quickly to protect our employees and support host communities in combatting the spread of the virus.** We prioritized the health and safety of our employees and were successful in maintaining business continuity throughout the year.

What is COVID-19?

COVID-19 is a viral disease that emerged in late 2019. The novel (meaning “new”) coronavirus was a new strain that had not been previously seen in humans and is highly transmissible, spreading through close contact with infected persons. Symptoms of COVID-19 vary widely across those infected, but common presentations are fever, cough, and shortness of breath, fatigue, nausea /vomiting, and headache.

In the first months of 2020, the disease spread rapidly around the world, resulting in high numbers of infections and deaths in most countries. To manage the spread and impacts on healthcare services, countries imposed limits on social gatherings and travel, closed non-essential services and businesses, instructed the use of personal protective equipment (PPE) in public, and scrambled to increase medical infrastructure and capacity. The social and economic impacts of the virus were felt in all elements of everyday life, threatening the futures of families and businesses, and requiring a global, unified effort to adjust to a “new normal”.

Operational Impacts on Yamana

At Yamana, many of our operations are considered essential businesses by local regulations. This meant that we were able to increase our health and safety precautions at the operational level without significant production impacts, keeping our workers safe and employed. Additionally, as a result of the industry’s strong health and safety performance, Québec declared mining an essential service which allowed our operations in the region to continue.

In some cases, such as our Chilean operations, special permits were required for our employees to travel to and from work, particularly if they did not live in the province where our mines are located. Our teams on the ground were able to respond quickly to the frequent changes to regulations by provincial and federal governments, ensuring we were continually operating in line with local regulations, while prioritizing the health and safety of our employees and business continuity.

The most significant operational impact occurred at our Cerro Moro operation, which was required by the province to enter care and maintenance for approximately 2 months during the early stages of the pandemic. This was not a result of direct actions of the site, but rather classification of what was considered essential business by the local government. As you will learn throughout this report, this interruption not only impacted our production, but our performance on a variety of Health, Safety, Environment and Community (HSEC) indicators as well. When Cerro Moro was permitted to resume operations, we continued to experience operational impacts, primarily because of steps we took to ensure social distancing within the camp setting, as well as drastically reduced interprovincial travel of employees.

While we have worked to successfully limit spread of the virus amongst our workforce, there have been confirmed worker cases at operations and in host communities. This necessitated action to re-balance and reorganize shifts, as employees either tested positive with COVID-19, or were required to self-isolate following contact with a confirmed case. We successfully managed this impact through early and diligent pre-shift screening, ongoing communication

with workers and their cooperation with shift scheduling to ensure to critical positions were filled. Overall, the number of infected persons has not been significant.

Finally, our operations were challenged early on in the pandemic with inconsistent supplies of goods and services, particularly in Argentina and Brazil. Nationwide lockdowns resulted in a variety of our suppliers either not able to operate, unable to access their supply chain, or not permitted to transport across national and provincial borders. Globally, there was a shortage of key materials, and mining operations faced increased costs and longer lag times for key supplies between deliveries. Although this was an ongoing concern for our operations, our procurement teams adjusted to mitigate interruptions, establishing a plan to protect the integrity of our business for at least three months in the event that supply lines were fully disrupted. This plan included maintaining an inventory of consumables and spare parts (fuel, explosives, cyanide, etc.) and securing supply from other providers when regulation or capacity constraints impeded maintaining an inventory from existing suppliers. To guarantee operational continuity, we monitor our suppliers on a monthly basis to anticipate any possible disruptions and continue looking for alternative suppliers. We have been able to continue our operations without supply-related disruptions.

Yamana Response

Yamana began to monitor the emergence of COVID-19 in early 2020. As the virus began to spread globally, we initiated our Corporate Crisis Management Plan, which engages our Senior Executives and operational leaders. This team created a COVID-19 Taskforce, which included corporate department heads and regional leadership to monitor the spread of the virus' impacts on our operations, and to deliver recommendations on mitigating the impacts to the Company.

We took quick and decisive action to impose work-related travel restrictions, encourage employees to work from home wherever possible and implement extensive health and safety measures at our sites, aligned with

evolving international best practice. We adjusted and managed our business effectively during this period, mitigating risks and further advancing opportunities, while ensuring the health and safety of employees, contractors and host communities.

Health and Safety

With the health and safety of our employees, contractors and host communities being top of mind, all of our operations responded rapidly with safeguards against the COVID-19 virus.

First and foremost, we began medical pre-screening and testing of workers prior to their arrival at the mine site. Those who tested positive, or who reported symptoms of COVID-19 were required to stay home and self-isolate. As additional data about the virus and resources for testing became available, we began to further refine our testing and isolation protocols at all operations, including initiation of repeated testing throughout the shift. We also implemented rigorous contact tracing procedures and protocols to further limit the spread of the virus and protect our people.

We increased cleaning, sanitization, and hygiene protocols at all mine sites and implemented means to enable and ensure physical distancing within our operations and offices. This included strictly limiting travel, increasing distancing in common areas and in transportation vehicles, installing physical barriers where possible, limiting in-person group meetings, and reducing occupancy in camps and cafeterias.

As our operations are in South America, where the most significant impacts of COVID-19 were experienced two to three months after they began in Europe and North America, we were able to conduct medical preparedness evaluations and support proactive increases in local medical infrastructure and capacity. Our site clinics had time to better understand our capacity and level of preparedness to both manage the spread of the virus at our operations and help support local healthcare units, if required.

Finally, in mid-2020 we retained a third party to evaluate the COVID-19 prevention protocols and procedures in place at our operations. International SOS determined that our operations were effectively preventing the spread of COVID-19 within the mine site and that workers were more likely to contact the virus outside of work.

Community

Our community support during COVID-19 was delivered by two primary methods: direct donations and preparedness capacity development. Our operations and offices donated medical equipment and PPE, such as face masks, hand sanitizer, gloves and face shields. Additionally, we donated various medical supplies and equipment, such as company ambulances, beds and space to set up temporary hospitals, and purchased respirators, testing equipment, computers and other critical equipment. Our donations to local communities totaled over 1 million dollars. We also made site medical teams available to local health authorities to offer support wherever and whenever necessary. Outside of medical equipment, we donated and helped deliver food and other care packages to vulnerable populations in the areas where we operate.

Going beyond providing community donations, we also worked with local governments to help support emergency response and preparedness planning. This included support on logistics planning, medical preparedness assessments, the support of vulnerable populations and evaluating the overall level of preparedness of the community. This helped communities better understand their potential gaps in pandemic management and how these could be addressed to mitigate the impacts of viral spread.

As we continued through 2020, our local social media platforms were used to circulate accurate and up-to-date information about COVID-19, including building awareness of the signs and symptoms, how the virus spreads, as well as proper hygiene and sanitization measures. We used

these platforms to ensure host communities had accessible, accurate and credible data amid mounting concerns and misinformation surrounding COVID-19.

In addition to our operating sites, we provided support to regions where our exploration properties are located. In Manitoba, we operate a fly-in/fly-out exploration site, where we supported local First Nations communities with donations of sanitizer, face masks and gloves. Our support extended with a donation of funds towards the purchase baby formula, diapers, water and other invaluable supplies to communities, in what is a remote and under-served region.

Our corporate office in Toronto made donations to Canadian-based organizations. The Company donated \$20,000 to Food Banks Canada to help replenish food stocks and support those in need, and matched this donation to Conquer COVID-19, an organization that sources and supplies PPE for health care workers across the country.

HSEC Impacts

While our operations worked tirelessly to maintain continuity, we experienced a variety of impacts to our Health, Safety Environment and Community (HSEC) activities. Most significant were interruptions to our community engagement activities and having to postpone in-person community programs, such as community environmental participatory monitoring, Integrar Days and in-person community meetings. Community engagement requirements for permits at both our Minera Florida operation and our MARA exploration property were completed through digital platforms. These operations applied extensive effort to ensure that, while the engagement was being conducted digitally, we were still able to reach the local population, regardless of technological capacity and abilities. *This transition is explored further in the Social Performance section of this report.*

As a result of travel restrictions and strict limitations on guests at sites, we also had to adjust our external review, assurance and audit processes. Operations continued their activities to comply with the Cyanide Code and postponed in-person audits to 2021, while some tailings review exercises were transitioned from site visits to desktop reviews for tailings management facilities. Information regarding the tailings reviews are further explored in the Tailings|Waste section of this report. Various training activities were adjusted to virtual means, such as the annual HSEC workshop.

Ongoing into 2021

As the effects of the pandemic persist at our operations, we will continue to maintain and enhance our protocols and procedures as long as required to ensure the safety of our people and host communities. These include ongoing screening, testing, and quarantining of employees, maintaining physical distancing and sanitization protocols and ongoing community assistance through donations, logistical support and helping to disseminate clear and accurate information regarding the virus.

In early 2021, Minera Florida and El Peñón received the *COVID Seal* from the Chilean Safety Association (ACHS), which certifies 100% compliance with virus prevention and control standards. Minera Florida and El Peñón were the first and second underground mining operations in the country, respectively, to be awarded this seal.

We are currently monitoring vaccination efforts in the countries where we operate and providing our support in line with local legislation. This includes providing presentations and consultations from medical experts for our employees, to ensure they receive clear, accurate and credible information about the virus and vaccinations. In addition, Yamana has formally agreed to support a local organization in Brazil, as a company partner for logistical support of vaccine distribution.

We establish targets and objectives to identify measurable activities that drive improvement in key areas and to ensure our global operations are working towards the achievement of common goals. Some aspects of HSEC lend themselves readily to quantitative measurement, others are more difficult to quantify. We believe that what is not measured cannot be fully understood and improved; therefore, **we seek to create measurable leading and trailing performance metrics for key aspects of health, safety, environment, and community.** To demonstrate our commitment and focus on ongoing improvement across HSEC performance, all targets and objectives outlined below are linked to executive compensation, representing 15% of the total available in the executive scorecard for 2020.

Targets	Performance	Comments
HSEC		
<p>HSEC Performance Index <i>90% completion of the action plans (“HSEC Improvement Plans”), measured on an operation-by-operation basis. In addition, no significant Health, Safety, Environment or Community incidents at all sites, as well as maintaining or improving the company’s Total Recordable Injury Rate (TRIR) compared to 2019 performance.</i></p>		<p>We completed 2020 with zero significant incidents (as defined by our incident consequence matrix) across all operations, as well as successfully reduced our TRIR to 0.49, a 14% reduction from 2019.</p> <p>Three out of four of our operations successfully met or surpassed their target of completing 90% of their HSEC Improvement Plan actions. However, as a result of COVID-19-related restrictions established by the provincial government, Cerro Moro was unable to achieve its targets related to community engagement. The site transitioned its planned activities to provide community support in response to the pandemic.</p> <p><i>A detailed description of the HSEC Improvement plans is available on our website in the Responsibility, Our Approach section of our website.</i></p>
<p>High Potential incident (HPI) Reporting <i>Reporting HPIS (high potential consequence but low actual consequence) and completion of the related investigations. Target of 1 HPI for every 200 workers per operation.</i></p>		<p>All operations surpassed their HPI reporting target for 2020.</p> <p>A detailed description of our HPI performance is available in the Health and Safety section of this report.</p>

Targets	Performance	Comments
<p>Responsible Gold Mining Principles Implementation of the Year 1 requirements of the World Gold Council's Responsible Gold Mining Principles (RGMPs).</p>	●	<p>In 2020, we successfully completed the Year 1 requirements of the RGMPs, including third-party assurance.</p> <p><i>A detailed description of the RGMPs is available on our website in the Responsibility, Governance section of our website</i></p>
<p>Towards Sustainable Mining Implementation of the Year 1 requirements of the Mining Association of Canada's Towards Sustainable Mining (TSM) initiative.</p>	●	<p>In 2020, we successfully completed the Year 1 TSM implementation actions, including self-assessments and submission of results to the Mining Association of Canada (MAC).</p> <p><i>A detailed description of TSM is available on our website in the Responsibility, Governance section of our website.</i></p>
<p>Update of Tailings Standard to Global Best Practice Update Yamana Tailings Standard to incorporate evolving international best practice, as represented by the Global Industry Standard on Tailings Management (GISTM) and the MAC Tailings Guide.</p>	●	<p>We updated our internal tailings standard in 2020 to reflect evolving international best practice, such as the MAC Tailings Guide and the recently released GISTM.</p> <p>In addition, all sites completed self-assessments of their tailings management practices against the TSM guidelines with scores reported to the Mining Association of Canada.</p> <p><i>A detailed description of our tailings management approach is available on our website in the Responsibility, Tailings section of our website.</i></p>
<p>Greenhouse Gas Reduction 10% reduction in absolute combined Scope 1 and Scope 2 greenhouse gas (GHG) emissions from 2019 levels.</p>	●	<p>In 2020 we successfully reduced our combined Scope 1 and Scope 2 GHG emissions by 39%.</p> <p>GHG emissions reduction was a new indicator that we included in 2020 to demonstrate our commitment to climate action by responsibly managing our energy use and GHG emissions.</p> <p><i>A detailed description of our GHG performance is available in the climate change section of this report</i></p>

● Target Achieved ● Target Partially Achieved ○ Target Not Achieved



We empower our operations to identify and reduce risk while supporting and incentivizing them to continuously push towards application of evolving international best practice. We also maintain strong governance mechanisms that provide clear lines of sight on all aspects of HSSD management between the operations, senior management and the Board of Directors.

2020 HIGHLIGHTS

- Jantzi Social Index (JSI) for 11 consecutive years
- HSEC performance linked to compensation
- Initiation of the Yamana Disclosure Project

Our Approach

Our approach to Health, Safety and Sustainable Development (HSSD) is guided by our vision of *One Team, One Goal: Zero*. This means zero health and safety incidents, zero community incidents and zero environmental incidents across all of our sites.



It emphasizes that we are all working towards a common goal and demonstrates our ongoing commitment to improving our health and safety, environment and community (HSEC) performance. We recognize that this is an aspirational goal and that it will take time and effort to achieve. Nevertheless, we have made progress in our journey over the last several years since the vision was introduced and the progress motivates people across the company to continue to find new and innovative ways of doing business.

To emphasize and embed our commitment to HSEC excellence across the company, and to create the desired culture that prioritizes HSEC considerations, 15% of executive and 20% of site compensation is linked to HSEC indicators. These indicators, as well as our annual performance, are outlined in the Targets and Objectives section of this report.

Each section of this report and our website outlines the reporting and governance mechanisms that are in place for each functional area – water, tailings, health and safety, etc.

Overarching governance structures include detailed monthly, quarterly and annual reporting to the Senior Executive Group, the Executive Chairman and Board of Directors on all HSEC issues, including to the Sustainability Committee of the Board of Directors.

To support these reporting and governance lines, we have developed and implemented internal management systems at the corporate level that address all HSSD functional areas. These establish a set of minimum requirements that apply across the company and are incorporated into operational procedures. Moreover, our operations have sought external certification of additional environmental and health and safety management systems. Our management systems seek to ensure both compliance with all applicable legal requirements and incorporation of evolving international best practice to achieve HSSD excellence. These are described in more detail below.

For detailed information on our HSEC governance structure, including responsibilities and accountability, descriptions of internal and external policies, standards and certifications used to support our management systems, and our corporate commitments may be found on the Responsibility, HSEC Governance page of our website.

HSEC Reporting & Management Frameworks

The table on the subsequent page outlines some of the key initiatives we have in place across all sites that provide guidance and governance of all material HSEC issues. More details on these tools and programs can be found in the Responsibility section of our website.

Related Internal Policies and External Standards

Responsible Supply Chain

Yamana has a Supplier Policy as well as a Procurement Policy, both of which establish commitments to manage risks associated with suppliers and third parties and to ensure they adhere to Yamana's Code of Conduct. The Supplier Policy outlines our processes for supplier selection,

In 2020 we undertook the Yamana Disclosure Project to improve transparency on Environmental, Social and Governance matters. This project identified a variety of gaps in our disclosure that we have been working diligently to close and improve our overall performance. This project highlighted that while we had strong programs in place, we were not successfully communicating these to our stakeholders. Throughout this report, our GRI Index and our new website you will see increased disclosure on policies, programs and performance as a result of this project.

due diligence, compliance and red flags. Our Anti-Bribery and Anti-Corruption Policy and Code of Conduct provide detailed guidance and requirements on preventing unethical behaviour in relation to suppliers and third parties. These documents are publically available on the About, Ethics & Governance page of our website.

All third party contracts include clauses that require compliance with Yamana's Code of Conduct and disclosure to third parties about Yamana's Helpline, which allows them to report any concerns about violations or suspected violations of the Code of Conduct. All Helpline allegations are investigated by Yamana's Internal Audit department or by external forensic service providers.

Yamana has contracted a third party to screen all current and future vendors and suppliers on a frequent basis. This includes screening and monitoring for vendors on sanctions lists, politically exposed persons, compliance with HSEC standards, money laundering, criminal activity, or any other adverse media.

To better reflect Yamana's commitment to local procurement we have also aligned our GRI Index disclosures with the Mining Local Procurement Reporting Mechanism, available on our website.

Inputs	Description
HSEC Management Framework	<ul style="list-style-type: none"> • Proactive, risk-based management system, based on evolving international best practice. • Outlines our approach and provides guidance on HSEC management to all business functions. • The framework is focused on management effectiveness and transitioning towards the complete integration of HSEC responsibilities throughout the entirety of our Company, not just the HSEC department. • Addresses all key aspects of responsible HSEC management and the requirements to achieve excellence. • Provides a basis against which operations can assess their systems and performance, and develop improvement plans to address gaps.
Environmental KPIs	<ul style="list-style-type: none"> • Site-specific key performance indicators (KPIs) that focus on each sites' most important environmental risks (regulatory, legal, perception or operational). • Established threshold levels ensure that key risks are clearly communicated, performance is tracked and necessary action taken. • Performance is regularly reported to the Senior Executive Group, Executive Chairman and Board of Directors.
Social License to Operate (SLO) Index	<ul style="list-style-type: none"> • Industry-leading approach to quantitatively measure our social license on a site-by-site basis. • The SLO score is calculated quarterly using surveys that provide ongoing and comprehensive data on community perception of the Company. • Data highlight critical issues to community members and the quality and quantity of our engagement.
SIRs / HPIs	<ul style="list-style-type: none"> • Reporting of Significant Incidents (SIRs) and High Potential Incidents (HPIs). • Focused on incident reporting and investigation to track and manage risks. • Important tool for monitoring and improving health and safety performance.
Fatal Risk Protocols (FRPs)	<ul style="list-style-type: none"> • Establish minimum performance expectations for the most significant workplace hazards at all operations. • Includes Life Saving Controls which focus specifically on the FRPs, which are most likely to prevent loss of life. • Controls are verified as being in place and working effectively to help manage risk.

Ethical Standards

Yamana has integrity programs that are designed to establish actions, mechanisms and internal procedures for the promotion of integrity, supervision and control, aimed at preventing, detecting and correcting unlawful acts, including bribery and corruption and fraud. We have allocated resources to the implementation and maintenance of the integrity program, risk mapping and permanent monitoring and adequate periodic training to further support ethical business conduct.

One component of our integrity program is our Code of Conduct, which requires annual training and disclosure of any conflict of interest. A second component is our independent third-party Helpline which allows personnel and third parties to anonymously report any concerns about violations or suspected violations of the Code of Conduct. Yamana's Internal Audit department conducts independent reviews and audits to ensure compliance with the Code of Conduct and appropriate controls are in place to minimize and prevent fraud.

Human Rights

Yamana's Human Rights Policy communicates our commitment to respect the human rights of all people affected by our business and also describes the high standard expected of all Yamana employees and contractors. The policy includes commitments to evolving international best practice, including, but not limited to:

- The Universal Declaration of Human Rights
- UN Guiding Principles on Business and Human Rights
- The United Nations Declaration on the Rights of Indigenous Peoples
- ILO Conventions, including C169
- The Voluntary Principles on Security and Human Rights

The Human Rights Policy applies to all employees undertaking business activities on behalf of Yamana, including security contractors. The policy is included in both onboarding and annual refresher training. It requires annual acknowledgement of understanding and commitment to comply from all employees and sign-off from contractors, and is available on the Ethics & Governance page of our website.

Conflict Free Gold

As a critical component of our corporate commitment to ethical business conduct, we recognize that it is our responsibility to ensure that Yamana's business does not contribute to violence or conflict. This commitment is reported on, and externally assured, annually through our Conflict Free Gold Report.

This report includes review of international sanctions, global conflict areas, our operations' due diligence, security teams and the chains of custody and transport routes of our gold. This report, which forms part of our membership in the World Gold Council, is externally assured and is available on the Responsibility, Reports page of our website.

Responsible Gold Mining Principles

To demonstrate our commitment to produce gold in a responsible manner, we began implementation of the World Gold Council's Responsible Gold Mining Principles (RGMPs) in 2020 and have fully conformed to their "Year 1" requirements. This involved completing a self-assessment of Yamana's policies, internal systems, processes, and controls against the Principles. Gaps identified will be addressed through annual action plans to ensure full compliance with the standard by 2022. Our inaugural and externally-assured Responsible Gold Mining Principles Report for 2020 is now available on the Responsibility, Reports page of our website.

Towards Sustainable Mining

Towards Sustainable Mining (TSM) is globally recognized as an industry-leading practice and has been adopted by various national mining associations outside of Canada. TSM is required for MAC members' Canadian operations; however, Yamana has voluntarily decided to implement the TSM protocols at our international operations to demonstrate leadership and create a single high level of performance across our business. In 2020 we completed our first self-assessment against the 8 TSM protocols. The assessments identified opportunities for improvement at the operational level; action plans have been developed and included within each operation's HSEC Improvement Plan for 2021. TSM implementation will be achieved following the three-year schedule established by MAC, and our assessments will be externally assured in 2022 by an independent third party.

ISO/OHSAS

All of our sites have been ISO and OHSAS certified (El Peñón is in the process of re-certifying). ISO 14001 is an international framework for an effective environmental management system. This framework helps our sites ensure compliance with legal requirements, improve resource efficiency, reduce waste, reduce environmental costs and reduce our environmental impact.

OHSAS 18001 is an international framework focusing on occupational health and safety management. In 2018, OHSAS 18001 was superseded by ISO 45001. These frameworks help organizations identify, control and decrease risks associated with health and safety in the workplace.

Cyanide Code

Essential to the gold mining industry, cyanide is a chemical product used in many of the world's gold mines. We use sodium cyanide ("cyanide") at our operations in compliance with the International Cyanide Management Code (ICMC or the "Code"). 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.

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 covered in this report have full code compliance certification.

Achieving excellence across our company begins with ensuring Yamana is a great place to work. **We believe that employees whose needs are met and who feel supported in pursuing their goals are integral to the success and sustainability of our business.** We are constantly working to improve our initiatives and programs regarding diversity, inclusion, talent development and employee benefits to ensure we are investing in our employees' unique talents as well recognizing their perspectives.

2020 HIGHLIGHTS

- 26% women in management
- 43% of independent board members are women
- No human rights related incidents or grievances

Approach

Our approach to people and talent is underpinned by having exceptionally high standards of integrity, diversity and ethics. Our operations and offices promote cross-cultural knowledge sharing, development of operational excellence and implementation of the best business practices from around the globe. We ensure our operations, as well as corporate and regional offices, operate to the highest degree of business ethics, abiding by extensive internal policies. These policies dictate appropriate programs and practices that recognize a variety of situations and are applicable to all employees.

We consider our people to be our most valuable asset. We therefore seek to create a work environment that values and cultivates employee engagement and a healthy workplace culture through programs and employee initiatives.

Our responsibility for our workforce is underpinned by the following principles:

- Respecting labour rights and promoting sound labour relations;
- Fostering a culture of inclusion that embraces diversity and equal opportunity;
- Investing in our employees through training, career management and continual engagement; and
- Providing for the health and wellbeing of our employees.

For more information about our responsibility for our workforce and working at Yamana, please visit the Responsibility, Our People and Careers pages of our website. Detailed statistics regarding our workforce can be found in the GRI Index on our website.

Performance Summary

Diversity and Inclusion

We strive to be an equal opportunity employer, without discrimination based on race, gender, sexual orientation, disability, ethnicity or religion, throughout all levels of the Company, including the Board of Directors. Yamana’s goal is to employ a strong and diverse workforce that is also reflective of the communities in which we operate. In 2020, we had no reported incidents or external human rights-related grievances through our grievance mechanism at sites or internally through our Integrity Helpline.

Yamana’s goal is to employ a strong and diverse workforce that is also reflective of the communities in which we operate.

As part of our commitment to diversity, we established a formal goal of at least 40% for gender diversity on our Board of Directors. We have not adopted formal goals for gender diversity in our senior management or within our organization more broadly at this time, but continue to consider and adopt meritocratic recruitment and progression measures to improve diversity within the company. Currently, 43% of independent board members are women. This meets our target of 40% gender diversity for independent board members. We have had a 30% increase of women in management since 2018.

We are continually evaluating new initiatives to increase gender diversity at all levels of the company, such as the Women’s Sustainable Diversity Program at our Jacobina operation that monitors the number of women employed at the site and identifies potential career opportunities. The objective is to increase the number of women in all areas of our business.

We take a broad and expansive approach to inclusion, including individuals with disabilities. We ensure we have the support in place to accommodate workers with a range of disabilities. One notable addition to these programs in 2020 was the distribution of clear face masks to assist workers who are hearing impaired, as traditional face masks may create a barrier for communication.

To promote and improve our understanding of diversity within the company, we are analyzing our workforce data to develop a diversity metric framework and facilitate improved tracking of gender distribution, people with disabilities, Indigenous People, and visible minorities across the company. We are also including a means to address any challenges in tracking ethnic origin/distribution, as our sites include a variety of ancestries, ethnic groups, and races from the regions where we operate.

More information on our commitments to diversity and inclusion can be found in our Diversity and Inclusion Statement, available in the About, Ethics section of our website.

Employee Gender Diversity

	2018	2019	2020
Senior vice presidents	1	1	1
Vice presidents	2	2	2
Directors	9	9	10
% women in management	20%	24%	26%

Investing in Our People

Yamana is committed to providing the support, education and training necessary so that employees can achieve their career aspirations and have the knowledge to perform effectively. Training and continuous professional development are core components of our approach to business excellence. All employees are provided with opportunities to benefit from a transparent and individualized career management framework. This provides individual assessment and performance reviews against predetermined objectives, continuous feedback and coaching. Relevant training opportunities are identified, and individual development plans are created in alignment with personal and business objectives in mind.

Average hours of formalized training per employee by country are as follows:

Argentina

30 hours

Brazil

50 hours

Chile

48 hours

Canada

34 hours

More information on career development at Yamana can be found in our GRI Index on our website.

New Developments in 2020

Yamana has always provided support to promote the physical and mental well-being of our employees. All employees have access to a company-provided Employee Assistance Program that offers a variety of counselling services supporting our employees and their families so that they can manage any work, health or personal challenges.

In light of challenges posed by the COVID-19 pandemic, we have increased our offerings of training, educational and awareness seminars. These increased offerings have been particularly focused on stress management and mental well-being sessions that ensure our people have the support they need to stay healthy and well through these uncertain times. We have also regularly hosted information sessions on the current state of the pandemic with local doctors to ensure our employees have access to clear, accurate and transparent information from medical professionals.

In 2020 we broadened our diversity policy beyond gender, to include Indigenous peoples, persons with disabilities and members of visible minorities and formalized our Diversity and Inclusion Statement in early 2021. We plan to roll out unconscious bias training to the board, senior management and employees in 2021. We are also in the process of developing diversity and inclusion goals and initiatives that we intend to implement across the organization. These are currently organized into three steps:

1. Create awareness
2. Build and maintain a diverse workforce
3. Cultivate and support an inclusive culture.



2020 was our fifth consecutive year achieving a reduction in our Total Recordable Incident Rate (TRIR) with a decrease of 14% on an already low TRIR of 0.57 in 2019, as well as another year with **zero fatalities**. This progress towards our goal of zero demonstrates a continued prioritization of health and safety at our operations and the shared values of our employees and contractors. We did, however, see an increase in our lost time injury rate (LTIR) after a number of years of decline.

2020 HIGHLIGHTS

- 5th consecutive year with a decrease in TRIR
- Zero Fatalities
- Increase in LTIR
- All sites met HPI reporting targets

Overview of our Approach

Our approach to health and safety was revised in 2016 as part of the creation of our “*One Team, One Goal: Zero*” vision. This vision incorporates a number of aspects that aim to enhance the culture of the organization through the implementation evolving international best practice in health and safety. We seek to achieve this vision primarily through understanding, managing and mitigating hazards, exposure and risk by focusing on incentivizing leading indicators, including High Potential Incident Reporting and quality of incident investigations.

We promote a health and safety-focused culture at every level of the organization through visible felt leadership activities. These field level activities are designed to be positive, two-way workplace conversations between workers and supervisors about hazards, risks and controls, as well as providing an avenue for discussions on how to improve workplace conditions.

We believe that health and safety is a value that is shared at every level of the organization and that we all have an obligation to maintain a healthy and injury-free workplace. Oversight of health and safety management occurs at the operational level through our local HSEC and operational teams with the support and leadership of our General Managers. At the corporate level, oversight and governance is provided by corporate and regional Directors

of HSEC and the Senior Vice President, Health, Safety and Sustainable Development, as well as the Chief Executive Officer, Executive Chairman and the Board of Directors.

Mining Safety Roundtable

As part of our commitment to managing and mitigating risks, Yamana has been an active member of the Mining Safety Round Table (MSRT) since January 2016; Yamana's Senior Director, Health, Safety and Emergency Preparedness serves as the current Chair. The MSRT is a learning and sharing forum of mining and mining-related companies dedicated to eliminating fatal and life-altering injuries and illnesses for the member companies. The MSRT achieves its objectives through:

- Sharing best practices/experiences and benchmarking performance
- Collective development of tools and programs
- Individual professional development for health and safety leaders.
- Strategic focus on industry and industry-related issues

More detailed information on our approach to Health and Safety, including strategy, governance and risk management, can be found in the Responsibility, Health and Safety pages of our website.

Performance

All people (employees, contractors, suppliers and visitors) at our mine sites, development projects, exploration sites and corporate offices must adhere to the same robust health and safety standards. We do not differentiate between Yamana employees and contractors when it comes to safety and health; we present consolidated

performance for all of our performance metrics. Contractors are an essential and valued part of our business, and we believe we have the same level of responsibility to our contractors as we do for our own employees. This perspective is not unique to Yamana; the majority of the mining sector has adopted this approach over the past two decades.

Leading Performance

In 2020, all Yamana operations successfully surpassed their leading indicator reporting targets for the third consecutive year. We continue to emphasize leading indicators, as we believe they play a significant role in building our desired workplace culture. This advances the implementation of our management system elements and contributes to reductions in the number and severity of workplace incidents and injuries.

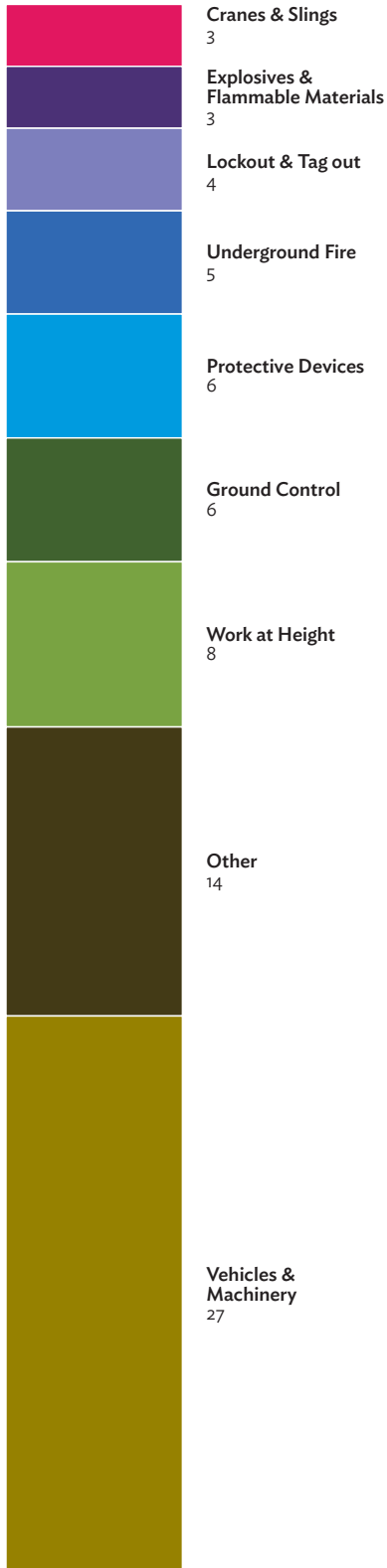
Fatal Risk Protocols

In 2020 we continued our focus on our 10 Fatal Risk Protocols. The protocols target higher-risk activities with the potential to cause fatal injuries, and establish minimum performance expectations for managing these hazards, helping us ensure that they are managed 100 percent right, 100 percent of the time.

High Potential Incidents

High potential incidents are events that, under different circumstances, could have resulted in significant injury to an employee, as classified in our incident consequence matrix (Level 4 or 5). These types of events provide us with an opportunity to conduct investigations to better understand missed controls where an employee was not injured, thereby ensuring controls are developed and put in place to prevent injury in the future from a similar event. The learnings identified through the investigations at one operation are shared with all of the operations within Yamana.

2020 Significant Incident Report



We believe that reporting HPIs allows us to address potential risks before they result in injuries, thereby reducing overall injuries to our employees. Reporting of High Potential Incidents (HPIs) is a key component of our efforts to build workplace culture and reduce incident and injury frequency and severity. In conjunction with HPIs, sites also complete Significant Incident Reports (SIRs), which are similar to HPIs but completed when the actual consequence of an incident is significant (i.e., a recordable injury, Level 4 or 5).

All operations met or surpassed their HPI reporting targets

In 2020 all operations met or surpassed their HPI reporting target of 1 HPI per 200 employees. This resulted in 76 HPI/SIR reports from our operations. To best understand our HPIs, we categorize them by our Fatal Risk Protocols, which assist us in determining whether the controls we have in place are adequate to manage and mitigate risk.

Similar to previous years, the majority of our HPIs and SIRs were related to vehicles and machinery or ground-related failures (rock fall) in the underground mine. An increased focus on preventing these type of events, through attention and communication from geotechnical professionals, has resulted in some success in managing rock falls. We continue to work on improving our prevention of events related to vehicles and machinery through these measures as well as specialized tools and campaigns. Additionally, we continue to record a high number of lower energy HPIs/SIRs, such as slips, trips and falls that are not associated to any of our fatal risks and are primarily categorized as “other”.

More detailed information on our approach to HPIs and SIRs, can be found in the Responsibility and Health and Safety pages of our website.

Incident Investigation Quality

An important aspect of responding to incidents, when they occur, is performing investigations on all HPIs/SIRs. The investigations identify what went wrong, such as workplace conditions, less than adequate hazard identification, inadequate supervision and decision-making or organizational factors (i.e., lack of systems or resources). Once causes are identified, we can determine corrective actions to help ensure similar incidents do not occur in the future. The learnings from investigations are shared throughout the company; for this reason it is imperative that we have the processes and expertise to conduct quality investigations.

We introduced a new leading indicator in 2020 that evaluates and measures incident investigation quality at our operations. We use the Incident Cause Analysis Method (ICAM), and its associated quality assessment tool, to investigate HPIs and SIRs across the company. The objective of this process is to ensure incident investigations are completed to high standards and that the factors that contributed to incidents are accurately and effectively identified. Corrective actions are then implemented and communicated across operations to decrease repeat incidents throughout the company.

In 2020 sites selected a sample of their ICAM investigations to be subject to quality assessments; **all operations surpassed their target, scoring 85% or higher on their incident investigation quality.** We intend to continue using this leading indicator and expect to have a higher proportion of ICAM investigations assessed for their quality.

HSEC Improvement Plans

A cornerstone of our efforts to continuously improve HSEC performance are the operations' HSEC Improvement Plans. This leading indicator spans all HSEC functions and are based on each operations' unique HSEC aspects, hazards, impacts, risks, challenges and how these can be addressed and reduced. The set of 'leading' activities or leading indicators within the HSEC Improvement Plans

drive performance and generate valuable data that can be used to help manage future risks. **In 2020, all sites successfully achieved the H&S components of their HSEC Improvement Plans.**

More detailed information on leading indicators outlined in this section be found in the Responsibility, Health and Safety page of our website.

Lagging Performance

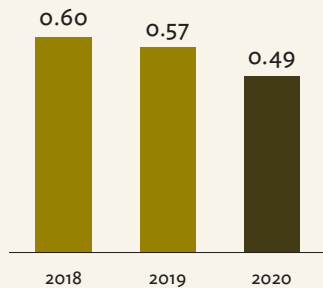
In 2020, we successfully completed another year with **zero fatalities** at any of our operations. This is our expectation at all times and in all our business activities – as a key part of meeting our *One Team, One Goal: Zero* vision. We believe that our leading performance metrics, as well as our best-in-class management systems (including fatal risk protocols) will help ensure that we can continue to protect all workers and eliminate fatalities.

In recent years the industry has shifted towards an emphasis on leading indicators; we nevertheless continue to track and measure traditional lagging indicators that remain in use across the mining and metals sector, including Lost Time Injury Rate (LTIR) and Total Recordable Injury Rate (TRIR). These indicators provide clear, communicable and comparable data on impacts to workers that a wide range of stakeholders can use to evaluate our performance.

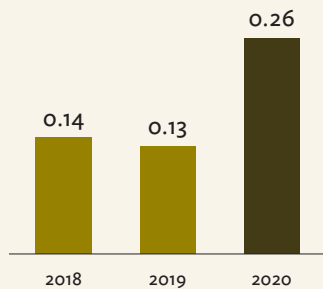
5th consecutive year with decrease in TRIR

2020 was our fifth consecutive year with a decrease in our TRIR with a year-end rate of 0.49. This was a 14% improvement on our already low 2019 TRIR, and a 35% decrease from 2017. Our TRIR continues to be amongst the best of our peer group and we believe this is a result of our ongoing focus on managing risks, encouraging reporting of High Potential Incidents (HPIs) and our strong leadership presence in the field.

Total Recordable Incident Rate



Lost Time Injury Rate



*TRIR and LTIR values both include exploration and closed properties performance.

While our Total Recordable Injury Rate decreased in 2020 our lost time injury rate (LTIR) increased to 0.26. This is a 100% increase year over year, primarily due to increases at both Jacobina and Cerro Moro. While this is a significant increase, it is also reflective of exceptionally good performance in previous years. In 2019 these two sites combined had a total of 3 total lost time injuries (LTIs); this increased to 13 in 2020. Most of these incidents were low energy occurrences (slips, trips and falls), which unfortunately resulted in injuries. We conducted thorough investigations into each incident to determine and manage the causal factors, as well as held health and safety interventions at both sites with the goal of eliminating similar events in the future. We take this increase in incidents seriously and in response have increased our prevention efforts through additional focus on in-field interactions with management and supervisors, hazard identification, and risk assessment. Prior to 2020, we had demonstrated consistent year-over-year decreases in our LTIR, resulting in 2020 being the highest relative to the previous three years.

Employee Health and Wellbeing

Along with worker safety, we are committed to ensuring the long-term health and wellbeing of our employees. We do this by identifying workplace health exposures and vectors, monitoring the workplaces and taking steps to reduce exposures that are outside of acceptable ranges. In evaluating exposures, we incorporate the regulatory thresholds in place in our operating jurisdictions.

We assist employees in preventing and addressing work-related ill health, such as hearing loss, physical, chemical or biological agent exposures, musculoskeletal disorders or issues related to the workplace environment. We do this through implementation of engineering controls, where possible, or appropriate and protective PPE and support devices. Our operational sites have onsite medical staff who workers are encouraged to approach directly with any health issues or concerns.

Across our operations in 2020, we had one case of work-related ill-health, related to a musculoskeletal disorder in upper extremities. This case has been reported and managed with relevant regulatory agencies.

In addition to work-related ill health, we seek to promote and encourage healthy lifestyles with all of our employees and contractors through providing onsite gym and fitness classes, as well as information sessions. These sessions frequently discuss healthy eating, stress management and common illnesses, such as diabetes and heart disease, as well as annual influenza vaccination opportunities for employees and contractors.

In 2020, Yamana also led a series of campaigns related to the COVID-19 virus, including the implementation of extensive health and safety measures at our operations to prevent the spread of the disease and keep our workers safe. While much of this focused on supplying PPE, increasing hygiene measures and enforcing social distancing, our operations also led outreach campaigns for all workers that encouraged health precautions that may be taken at home, such as proper handwashing and social distancing. More information on our response to the COVID-19 pandemic can be found in the COVID-19 section of this report.

New Developments in 2020

Like the majority of the world, the most prominent developments for our operations in 2020 were changes resulting from the COVID-19 pandemic. Our operations responded rapidly and proactively to protect workers from the spread of the virus in a variety of ways, including increased/alterd PPE, social distancing, contact tracing, increased cleaning and sanitization, as well as a variety of health screening protocols. More information on this can be found in the COVID-19 section of this report.

As reported earlier in this report, we began implementing two industry-leading frameworks in 2020: The World Gold Council's *Responsible Gold Mining Principles* and The

Mining Association of Canada's *Towards Sustainable Mining* initiative. Both frameworks cover a variety of health and safety topics, which will align our management systems with evolving international best practice and drive improved performance. In 2020, operations and the corporate office conducted self-assessments against these frameworks to gauge the degree of alignment of our current health and safety practices. Findings from these self-assessments have been included in 2021 HSEC Improvement Plans to close gaps and ensure full alignment with the standards by 2022.

More detailed information on these frameworks and our progress can be found in the HSEC Governance section of this report and the Responsibility, HSEC Governance page of our website.



To Yamana, social performance is defined by the strength of our relationships and extent of our impacts on host and surrounding communities. It is underpinned by our engagement and management of relationships and **focuses on delivering measureable short- and long-term benefits to communities to promote trust and build resilience** in the regions. Without the support of host communities, operating our business would be extremely difficult.

2020 HIGHLIGHTS

- High levels of trust and acceptance at operations
- Over 90,000 beneficiaries from our health programs
- 237 million dollars spent in regions where we operate
- Successful transition to digital engagement through the COVID-19 pandemic

Our Approach

Our vision of *One Team, One Goal: Zero*, applies equally to social performance, health and safety and environmental protection. However, in social performance, our approach is to go well beyond zero harm. We hope to ultimately generate a net positive impact in host communities and surrounding regions. Social performance has three primary objectives: engaging with members of host communities and other stakeholders, understanding and managing first-order impacts that result from our presence, contributing to development of sustainable and resilient host communities, and surrounding regions through community development/ social investment. These objectives are present at varying degrees throughout the life of mine from construction to closure.

Commonly referred to as a social license to operate, we refer to this as the privilege to operate. That privilege is not taken for granted, and our social performance is measured by the communities themselves, through the Social License to Operate (SLO) Index and other indicators. The Index, which is managed by a 3rd party, evaluates community trust and acceptance (i.e., social license). It is the industry's most direct measure of social performance.

The goal of our community relations strategy continues to be to maintain our privilege to operate. We achieve this, in part, through proactive and transparent engagement with all of our stakeholders. Our HSEC Framework provides guidance to our sites on industry best practice around inclusive stakeholder engagement. This includes our community support and capacity development initiatives, while our industry-leading SLO Index offers the community a direct voice on the day-to-day management of our operations, and a chance to evaluate our performance.

Oversight of community relations occurs at the operational level through our local HSEC and operational teams with the support and leadership of our General Managers. At the corporate level, oversight and governance are provided by corporate and regional Directors of HSEC and the Senior Vice President, Health, Safety and Sustainable Development, as well as the Chief Executive Officer, Executive Chairman and the Board of Directors.

More detailed information on our approach to Community Relations, including strategy, governance and risk management, can be found in the Responsibility, Community Relations page of our website.

Performance

For Yamana, social performance is separated into two distinct streams, community engagement and community development. Community engagement focuses on interactions with local and surrounding communities to understand their needs, wants, dislikes and perceptions related to our company. This can take various forms, such as direct community meetings, engagement through the SLO Index, grievance management or interactions community members have with representatives from the site. Community development focuses on providing and improving resources within the community to ideally create long-term sustainable change. This is usually through capacity development or direct and indirect economic contributions, such as local employment, community project funding or skills development programs.

Stakeholder Engagement

In 2020, our stakeholder engagement activities were curtailed significantly because of the COVID-19 pandemic. Our operations held 25 formal stakeholder consultations hosting 335 citizens and 5 open door visits with 70 visitors. To keep our community engagement teams and host communities safe from the spread of the virus, our operations were unable to engage directly in formal meetings or host open door visits with the usual frequency, following the adoption of social distancing and lockdown precautions. However, through various digital platforms, were able to continue engaging with host communities.

An example of this is in late 2020, our Minera Florida operation began extensive community consultations for an expansion-related EIA almost entirely through digital platforms. The process will continue through the first half of 2021.

Exploration insight: In May, our Agua Rica project hosted over 1,000 participants in 20 different open houses and small group meetings, in support of an environmental impact assessment (EIA) process for exploration-related activities. The consultation sessions were all held through various digital platforms and further supported by telephone and traditional media platforms.

More detailed information on stakeholders' primary topics of interest/concern is available in the Responsibility, Our Approach page of our website.

Social License to Operate Index

The Social License to Operate (SLO) Index is Yamana's innovative approach to measuring social license that was introduced to all of our operations in 2018, with the exception of El Peñón, which has no nearby communities. The SLO Index measures two primary indicators, community trust and acceptance, as well as provides insight to a variety of other key performance indicators. The SLO Index is one approach for evaluating our social performance.

Over 75% of respondents agreed Yamana is committed to protecting health and safety of employees and communities throughout COVID-19.

Some of the quarterly SLO survey campaigns were postponed in 2020, due to pandemic-related restrictions. However, the surveys that were conducted were able to incorporate COVID-19-specific questions that enabled our operations to get a good sense of the concerns that communities had related to the pandemic and how they felt Yamana was responding to support and protect the communities. During this time, over 75% of respondents said that they either agreed or strongly agreed that Yamana is committed to protecting the health of its employees and the community. This was welcome feedback for our Management and Community Relations teams who worked strongly to support the communities in 2020.

Our SLO Index data during this time demonstrated that while trust remained static or improved, acceptance decreased by 12%, in Q2 of 2020, which correlates with an overall decrease in institutional trust/acceptance and a general lack of optimism due to the depth of the COVID-19 crisis and government responses in some of the countries we operate in.

The results of the SLO Index in 2020 indicate strong levels of both trust and acceptance by host communities and a continued positive trend of improving social license over three years. Despite these positive results, we never take the support of host communities for granted; we continually seek to help them understand our business, their concerns and how we can incorporate these concerns into our plans.

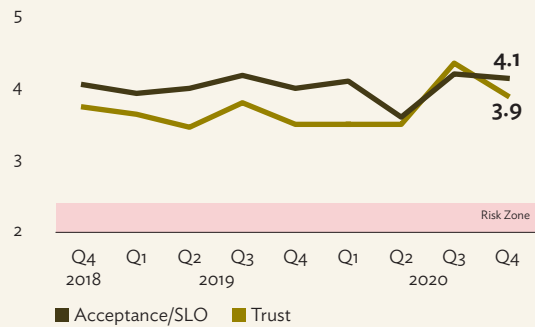
Our SLO results commonly indicate that the quantity of our engagement with communities can be improved. Our local community engagement teams are continuously using feedback from the SLO Index to improve engagement and target topics that are of concern to the host communities. In addition, the feedback has been included in each site's HSEC Improvement Plan for 2021, which is linked to both site and executive compensation. In cases such as Jacobina, where community concerns regarding water and dust are present, the site has plans to begin Community Participatory Monitoring Programs on these indicators to promote transparency and community understanding. This was unable to occur in 2020 but will take place once it is safe to do so.

SLO Highlights

Jacobina

- High level of acceptance →
- High level of trust ↑
- Highlights: Positive perception of social investment and fair benefit distribution
- Areas to improve: Quantity of engagement, perception on water and dust management

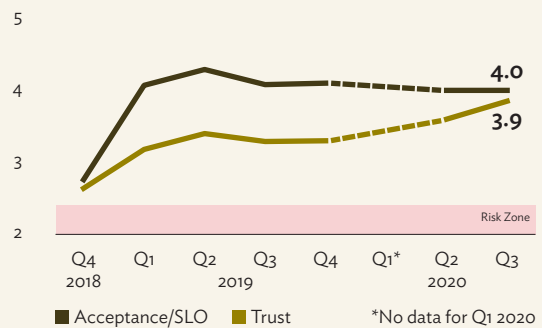
Jacobina



Minera Florida

- High level of acceptance →
- High level of trust ↑
- Highlights: Positive perception of social investment and fair benefits distribution, quality of engagement, and improved perception of water and dust impacts
- Areas to improve: Quantity of engagement

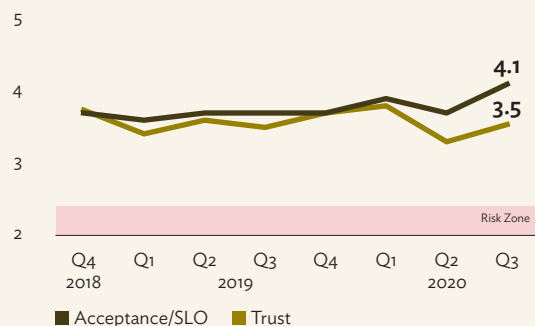
Minera Florida



Cerro Moro

- High level of acceptance →
- High level of trust →
- Highlights: Perception of social investment and fair benefits, company shows respect of community views, quality of engagement
- Areas to improve: Opportunities for existing businesses, quantity of engagement, perception of water and dust management

Cerro Moro



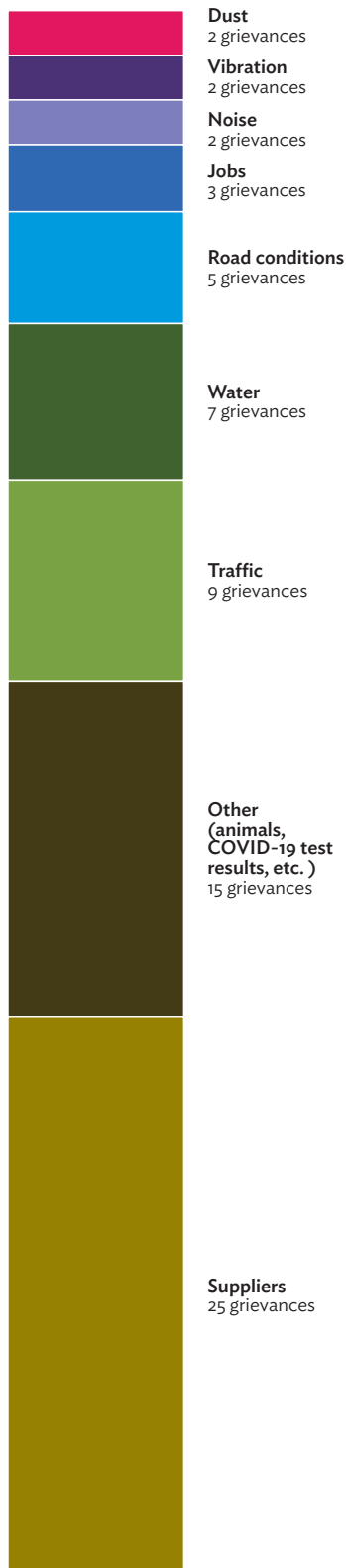
Acceptance/Trust: Improved ↑ Consistent → Worsening ↓

For more information on how we measure social license to operate using the SLO Index, please visit the *Responsibility, Community Relations* page of our website.

5 - Very High 2 - Very Little
 4 - High 1 - None
 3 - Moderate

The risk zone is based on CSIRO's research of other operating mines and estimates a threshold where the risk of active community opposition becomes likely.

Grievance Topics



Grievance Management

Grievance mechanisms are another important element of our social performance management and a component of engagement strategies used at all of our operations. Grievance mechanisms are a formal process established to identify sources of friction between us and our host communities and to address these before they become more significant.

We received a total of 70 grievances in 2020, a slight decrease from the 87 received in 2019. Cerro Moro experienced an increase in grievances in 2020, the majority of which were related to supplier contract renewals and payments. While it has been common for suppliers to register grievances with the site there was an increase this year. Minera Florida and Jacobina’s grievances were distributed amongst a variety of topics outlined in the adjacent graph.

We achieved a 100% grievance closeout rate this year through our grievance management approach. At Yamana, we consider a closeout period to be between 7-14 days. Our grievance processes continue to inform us on better ways to engage our stakeholders.

While most of our sites are not in jurisdictions where human rights would be considered at risk, we are proud to say that 2020 was another year in which we did not have any grievances related to allegations of a violation of human rights or labour rights. We are working to maintain this trend by incorporating consideration for human rights into our continual training, and supplier assessments.

More information on our Human Rights Policy may be found in the HSEC Governance section of this report and the Ethics & Governance page of our website.

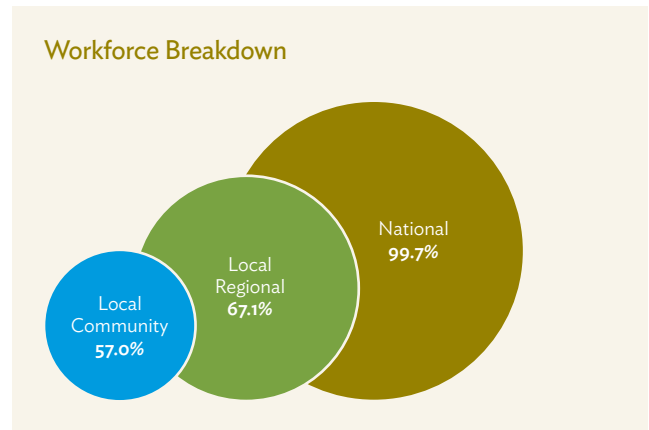
Total Grievances by Site

	Grievances
Jacobina	28
Minera Florida	11
Cerro Moro	31
El Peñón	0
Total	70

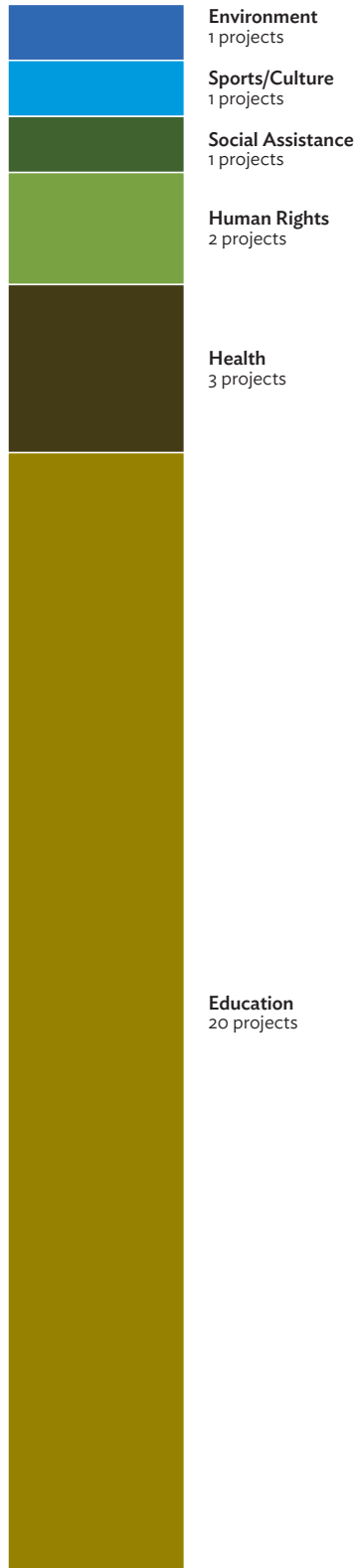
Local Employment and Procurement

Creating local employment is one of the most impactful ways that we contribute to the development of resilient and sustainable communities through both primary and secondary economic benefits, but also by building the long-term capacity of the local workforce. In 2020, over two-thirds of our employees were local and we continued to maintain over 99% national employment. For our sites, the definition of what is considered “local community” can vary by operation, but is generally described as the closest communities to the mine. For our purposes, “local regional” is considered to be within the state or province where the mine is located and “national” is within the country where the mine is located.

As an extension of local employment, local procurement remains a core component of our community relations and development strategy. In 2020, 43% of purchases, or over \$237 million dollars, came locally from the regions surrounding our sites. This supports local suppliers and drives direct economic benefit to our communities, as well as increases employment and capacity development to generate long-term economic development. We also maintained a high in-country procurement level, at 91%, spending over 555 million USD in procurement for our operations.



Focus of 2020 Integrar Programs



Community Investment

Across all sites, Yamana’s approach to community investment is completed through 3 main facets:

1. The Integrar Program, which focuses on helping communities address education, infrastructure and capacity gaps;
2. The Partnership Alliance Program, which provides a platform for company partnerships with local NGOs; and
3. Direct financial contributions to new and existing community initiatives.

Integrar Program

Within the Integrar Program, sites host specific programs in the areas of:

- Entrepreneurship
- Sports/Culture
- Human Rights
- Social Assistance and Management
- Environment
- Education
- Health

In 2020, we had over 90,000 beneficiaries from over 28 Integrar Programs. The vast majority of these programs focused on health and safety related to COVID-19. Many of these programs provided support and equipment to protect local communities from the spread of COVID-19, such as PPE and food donations, testing kits, medical supplies donation of hospital beds. All programs are hosted in conjunction with local authorities.

Partnership Alliance Program

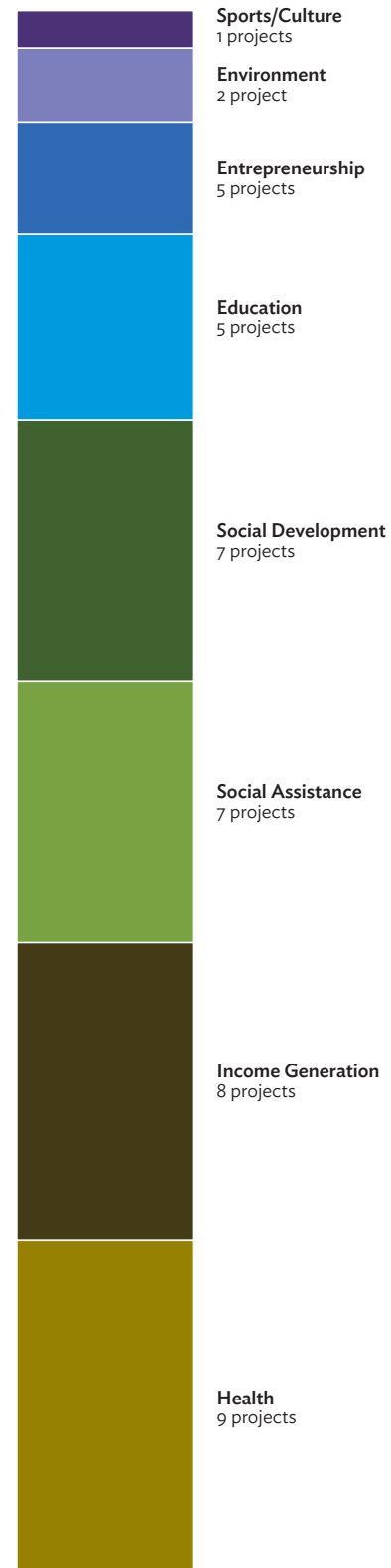
In 2020, Yamana funded 42 Partnership Alliance Program projects, with over 10,000 beneficiaries. This is a 33% decrease from the number of projects in 2019, again because of the effects of COVID-19, which forced the operations to be creative in finding a variety of other means to support host communities. This program partially funds community investment projects chosen by local citizens. Local enterprises submit applications for local and regional development projects; those selected receive 85% of their required funding directly from Yamana. Projects are chosen based on community member votes to determine which projects are the most desired and which will generate the most positive impact for the surrounding area.

Direct Financial Contributions

While our primary method of generating value for our communities is through local employment and procurement, we also contribute financially to our communities through direct community investment, donations and sponsorships, as well as taxes and royalties. These facilitate local and regional economic growth and create long-term prosperity, which far exceeds the life of the mine. In 2020, we provided over 65 million dollars to the communities and governments where we operate.

Both our direct community investment and donations and sponsorships increased in absolute value in 2020, despite the sale of one of our former operations. These changes reflect our economic support of host communities in various ways, most importantly in response to COVID-19 and its effects in the regions where we operate. In Argentina, we provide direct community investment through the Acuerdo Unirse Trust Fund which is made up of various mining companies in the region and managed by the Province of Santa Cruz. This fund aims to carry out fundamental work for the growth of the province by strengthening development, managing basic needs, promoting progress, and providing work to improve the quality of life of the residents of Santa Cruz.

Partnership Alliance Programs by Topic



Direct Economic Contributions (USD)

	Direct Community Investment	Donations & Sponsorships	Taxes & Royalties
Argentina	4,592,908	370,895	10,891,835
Brazil	719,953	68,512	32,621,528
Canada	284,739	1,461,529	10,844
Chile	364,795	125,975	13,950,682
Other	-	-	13
Total	5,962,394	2,026,911	57,474,902

New Developments in 2020

As described above, in 2020 we had to adjust many of our traditional social engagement and performance practices to reflect impacts on communities from the COVID-19 pandemic. This resulted in the use of digital engagement platforms, online communication through various social media platforms, as well as significantly changing our community donations to focus more on PPE and medical supplies. Where necessary, we also supported host communities with emergency response planning and preparedness. A full summary of our COVID-19 responses, for our operations and host communities is available in the COVID-19 section of this report.

As mentioned previously, we began implementing two industry-leading frameworks in 2020: The World Gold Council's *Responsible Gold Mining Principles* and The Mining Association of Canada's *Towards Sustainable Mining* initiative. Both frameworks cover a variety of topics related to social performance, which will align our management systems with evolving international best practice and drive improved performance. In 2020, operations and the corporate office conducted self-assessments against these frameworks to gauge the degree of alignment of our current social performance practices. Findings from these self-assessments have been included in 2021 HSEC Improvement Plans to close gaps and ensure full alignment with the standards by 2022.

Water is an important input into the mining process, but first and foremost, it is a fundamental requirement for healthy communities and ecosystems. As a shared and finite resource, subject to increasing stresses from climate change and growing demand, efficient and effective water management is central at all of our operations.

We maximize recycled water to limit water withdrawal and, to protect local water quality, we do not discharge process water.

We manage our water use responsibly to ensure water availability for our operations and host communities.

2020 HIGHLIGHTS

- Zero discharge of process water at all operations
- 47% decrease in total water withdrawal
- 50% of our water withdrawal is produced water
- 6th consecutive year with no material spills

Approach

Changes in the availability of or access to reliable sources of water, and water quality are key aspects for Yamana and the industry in general, as it is a critical input for mining and processing. Water risks are managed on a site-by-site basis, with strong corporate oversight. Our water management approach focuses on three key elements; operating within our permitted water limits, for both quality and quantity, understanding our water needs through the use of up-to-date site water balances, understanding watershed-related risks through engagement with other users and assessments such as the Climate Change Water and Biodiversity Risks assessment. Day-to-day operational water management prioritizes maximizing recycling and ensuring zero discharges of process water to the environment.

Each of our sites face unique water risks and challenges, including resource quality, seasonal availability, and long-term sustainability of water supply; all of these are described in detail on our website. In the face of climate change, extreme weather events, including drought and floods, are also risks that we identify, prepare for, mitigate and manage. Water scarcity is actively managed and planned for at our operations. Currently, Minera Florida is our only operation located in a highly water-stressed region as defined by the World Resources Institute. To help mitigate the risk, the

site maximizes water recycling through the use of water pumped from within the mine as well as drained from the tailings facility. In addition, Minera Florida has developed a Community Environmental Participatory Monitoring program that focuses on water indicators to maintain transparency with the local community.

Senior Management and the Board of Directors receive regular updates on each site's top water-related risks through an Environmental KPIs Dashboard. This information is updated monthly and describes complex water risks in a clear and concise manner to senior decision makers within the organization.

Oversight of water management occurs at the operational level through our local HSEC and operational teams with the support and leadership of our General Managers. At the corporate level, oversight and governance is provided by corporate and regional Directors of HSEC and the Senior Vice President, Health, Safety and Sustainable Development, as well as the Chief Executive Officer, Executive Chairman and the Board of Directors.

More information on our governance, strategy, risk management and operational contexts related to water, please visit the Responsibility, Environment page of our website.

Performance

Our total water withdrawal in 2020 was 4,649 megalitres (ML), a significant decrease from 2019 as a result of the sale of our Chapada operation in July 2019.

On a site-by-site basis there were a number of changes in water use, our most significant was an increase in the volume of produced water pumped from our Minera Florida operation. This is primarily due to low pumping rates in previous years as a result of drought in the area. Increased precipitation in 2020, resulted in higher rates of water infiltration into underground workings, which has to be removed to allow for safe mine operations.

Water Withdrawal by Source (ML)*

	2018	2019	2020
Surface Water	1,710	938	589
Groundwater	2,523	1,295	1,741
Municipal Water	-	-	-
Produced Water	13,320	6,531	2,319
Total	17,553	8,764	4,649

* Please note this table includes restated values from previous years as described in the "About This Report" section of this report.

Site Water Use by Source (ML)

	Jacobina	Minera Florida	El Peñón	Cerro Moro
Surface Water	155	434	0	0
Ground Water	368	301	644	429
Produced Water	1,956	351	0	12
Total	2,478	1,086	644	441

* Values within this table are rounded to the nearest whole number.

Our operations withdraw water from three primary sources: groundwater from naturally-occurring underground wells, surface water from nearby lakes and rivers and produced water which is water that has entered the mining area either through precipitation or subsurface infiltration. Produced water is not water we have targeted for use nor is it related to water use permits. However, it is water that we pump from underground mine workings to facilitate safe production. As a result, total water withdrawal is a combined result of both production needs and the existing water conditions of the local environment.

Minera Florida is located in a water-stressed area in central Chile. The mine is situated in a water catchment that is identified as experiencing extremely high (>80%) water stress according to the World Resources Institute Aqueduct Water Risk Atlas¹. Total water withdrawal from this location in 2020 was 1,086 million litres and Minera Florida prioritized responsible water use, including maximizing the use of produced and recycled water. The Jacobina, El Peñón, and Cerro Moro operations are located in water catchments that have baseline water stress below 40%, and are therefore not considered to be water stressed; because of this water supply at these operations is not considered to be a significant risk.

As in previous years, our sites did not discharge process water in 2020. Our operations reported one non-process water discharge, which was at Cerro Moro, and consisted of treated sewage effluent released into the discharge environment in accordance with regulatory requirements.

2020 was our sixth consecutive year without any material spills across our operations. We consider a material spill to be any spill that has the potential to affect the environment and/or water quality in the areas that we operate. While spills are not directly related to water withdrawal, consumption or discharge, spills and water use are often discussed in tandem with our stakeholders and are therefore addressed jointly within this section. Sites have procedures in place to immediately and effectively contain and remedy the area, and undertake appropriate measures to mitigate the possibility of reoccurrence in the future.

Detailed data and information regarding our water withdrawal, discharge, and consumption, in alignment with the latest GRI 303: Water and Effluents 2018 are available in the GRI Index, found on the Responsibility, Reports page of our website.

New Developments in 2020

Like the majority of the world, our operations had impacts related to COVID-19. While there were no direct impacts on our overall water use, we were required to postpone our Community Environmental Participatory Monitoring Program at our Minera Florida operation. Cerro Moro and Jacobina had intentions to begin similar programs to Minera Florida's in 2020. However, we maintained continuity on our water-related community engagement through digital platforms and other means described in the Social Performance section of this report. The launch of these programs was postponed as we were not able to meet in person with community stakeholders.

As mentioned elsewhere in this report, we began implementing two industry-leading frameworks in 2020: The World Gold Council's Responsible Gold Mining Principles and The Mining Association of Canada's Towards Sustainable Mining Initiative, both of which address a variety of water use and management topics and will result in aligning our management systems with evolving international best practice and driving improved performance. In 2020, operations and the corporate office conducted self-assessments against these frameworks to gauge the degree of alignment of our current water management practices. Findings from these self-assessments have been included in 2021 HSEC Improvement Plans to close gaps and ensure full alignment with the standards by 2022.

¹ The WRI defines baseline water stress as the ratio of total annual water withdrawals to available annual renewable surface and groundwater supplies. WRI Aqueduct 2019.



Ensuring the safe, long-term management of tailings remains one of the most material issues for Yamana and the mining industry as a whole. We ensure strong and effective tailings management with oversight from the Board of Directors and adoption of evolving international best practice frameworks. **We do not operate upstream tailings facilities** and consistently demonstrate strong tailings management performance at our operations.

2020 HIGHLIGHTS

- No upstream tailings dams
- Tailings Management Framework based on evolving international best practice
- Board-level oversight of tailings management

Approach to Tailings Management

We generate different types of waste in the course of our business activities; solid (non-hazardous and hazardous wastes) and mine waste are the two primary types. Mine waste consists of the rock that is extracted from the mine but which does not contain economic concentrations of metals, and tailings, which are the sand- and clay-sized rock particles created when we crush and grind rock to liberate the gold, silver and base metals.

Yamana has developed and implemented a tailings governance and management framework that incorporates evolving international best practice and addresses all tailings management activities throughout the mining life cycle. Our tailings management system and associated processes, both at the corporate level and, most importantly, at the operations level, incorporate the actions necessary to ensure that all of our tailings storage facilities (TSFs) and associated water management facilities meet or exceed the highest standards on dam safety and tailings management. We incorporate the most up-to-date concepts on dam safety and tailings management, including, but not exclusively limited to, guidance provided by the Canadian Dam Association (CDA), the Mining Association of Canada (MAC) and the International Committee of Large Dams (ICOLD). We are also advancing incorporation of guidance provided by the Global Industry Standard on Tailings Management, released in August 2020, into our management system.

Oversight of tailings management occurs at the operational level through our tailings management team with the support and leadership of our General Managers. At the corporate level, oversight and governance are provided by Corporate Director, Tailings, the Senior Vice President, Health, Safety and Sustainable Development and the Chief Executive Officer. The Director, Tailings also has an additional reporting line directly to the Executive Chairman and the Sustainability Committee of the Board of Directors. This demonstrates our commitment to the importance of proper tailings management and accountability at the highest governing level. Together, these governance and management steps contribute to a culture of tailings management excellence.

The key aspects of Yamana's tailings management include:

- Recognition that tailings management is a critical business risk, and assuring that there are adequate and timely resources allocated at all operations;
- Implementing clear tailings governance, with direct, regular reporting on tailings management to the CEO, Executive Chairman and Board of Directors;
- Developing and implementing a best-in-class tailings management system and governance;
- Having a designated accountable officer (SVP, HSSD), Corporate Director, Tailings and responsible management and staff at the site level for all tailings management operations;
- Regularly completing third-party expert reviews and assessments;
- Implementing designs prepared by registered engineers that incorporate best available technologies, including paste, dry stacking, downstream construction methods and liner installation;
- Effectively communicating at the corporate level, including completing monthly tailings management reports by site and corporate;

- Regularly monitoring and reporting on performance indicators; and
- Conducting risk assessments and reporting through to accountable executives.

More detailed information on our tailings management may be found in the Responsibility, Tailings Management page of our website.

Performance Summary

Regular monitoring and measuring of tailings performance requires a variety of complex indicators and tools that incorporate Best Available Practices (BAP) and Best Available Technology (BAT). Our tailings storage facilities (TSF) employ a variety of instrumentation, such as piezometers (to measure water level in the dam), monitoring wells, tiltmeters and survey monuments to monitor tailings dam performance. These instruments are monitored regularly, according to schedules defined by each operation. The monitoring requirements and schedules for these and many other parameters, including water levels, tailings stability, dam freeboard, are contained in Operations, Maintenance and Surveillance (OMS) Manuals that are customized for each operation. OMS Manuals use a risk-based approach to define risk levels and the controls necessary to mitigate and reduce risk at each facility.

Audits and Reviews

We continued to engage experts and senior reviewers for our tailings facilities throughout 2020. COVID-19 restrictions required some site visits to be carried out as desktop reviews of the performance of our facilities, as well as ongoing tailings studies and designs. At Jacobina, we created a senior review board of experts in 2020. Yamana plans to formalize this third-party review process in 2021 and institute an Independent Tailings Review Board (ITRB) for all of our operations. These and other initiatives are being led by our Director, Tailings, who has been supporting sites with on-going implementation of

best practices and guiding on technical issues as required. The reviews confirmed that the facilities are stable and that the company and its operations are taking appropriate measures to continue to mitigate and improve our TSF systems, processes and performance.

As part of our ongoing efforts to ensure all facilities align with evolving international best practice, we are in the process of formalizing Engineer of Record (EoR) appointments at both our Cerro Moro and Minera Florida operations. Both of these operations already had engineering teams in place to manage EoR responsibilities. However, in 2020 we formalized the adoption of an EoR in line with evolving international best practice identified by the Mining Association of Canada (MAC), as well as the Global Industry Standard on Tailings Management.

As a dry-stack facility, El Peñón's tailings facility is extremely low risk as the TSF does not impound and store water, and it does not require a dam.

With exception of Jacobina TSF, all of Yamana's TSFs are considered small structures with elevations ranging from 15 m to 30 m.

More detailed information on our approach to tailings, including an overview of all operating facilities, can be found in the Responsibility, Tailings Management page of our website.

2020 Activities

We undertook a variety of activities at our operating and closed tailings facilities in 2020 to ensure we continue to meet our tailings management standards, production needs, regulatory requirements, and ongoing improvement initiatives.

Jacobina: We continued closure activities and stability monitoring of the B1 TSF and dam. Installation of additional instrumentation was undertaken in the B2 dam to support remote monitoring. Jacobina initiated several studies to promote long-term sustainability and reduce the environmental footprint of the operation. Work conducted in 2020 confirmed that both paste backfill and hydraulic backfill are technically feasible options for the storage of a portion of the tailings generated by the mine. The remaining tailings will continue to be disposed in an engineered tailings storage facility on the surface. Jacobina has adopted a comprehensive life-of-mine tailings management strategy that will minimize the quantity of tailings stored on the surface using both of these strategies. We intend to use the same approach to reduce the environmental footprint of new development projects going forward, including at Wasamac and Odyssey.

Minera Florida: We began construction on the Phase 2 dam raise for the active tailing facility, which incorporates a double-lined impermeable membrane and will meet all regulatory requirements. Additionally, the operation began re-sloping of the Adosado Dry Stack facility and installed surface water monitoring instrumentation.

Cerro Moro: We began construction of the Phase 2 dam raise, which, like the Minera Florida TSF, has a double-lined impermeable membrane and will meet all regulatory requirements.

Mineral Solid Waste

	2018	2019	2020
Total Waste Rock Generated (tonnes)	57,457,707	31,501,286	6,357,162
Total Tailings Generated (tonnes)	26,856,228	15,864,169	4,680,902

Hazardous and Non-Hazardous Waste

	2018	2019	2020
Total Hazardous Waste Generated (tonnes)	4,209	3,207	4,058
Total Waste Generated, Hazardous and Non-Hazardous (tonnes)	11,415	9,756	7,065

Waste Rock Management

Our waste rock management approach focuses on ensuring slope stability of waste rock storage facilities, as well as confirming that the facilities do not impact groundwater and surface water quality, or result in adverse effects to downstream ecosystems and water users. We focus on monitoring and mitigating sulfate concentrations, metal leaching and acid rock drainage.

Overall, we generated 70% less tailings and 80% less waste rock in 2020 compared to the previous year. This is primarily due to the sale of our Chapada operation in July 2019. However, volumes were also impacted by lower production at both our Cerro Moro and El Peñón operations, as a result of COVID-19 restrictions imposed by local governments.

In November 2020, Jacobina experienced an extremely wet month that led to a localized slope failure in the stockpile area near the secondary berm in B2 TSF. The slope failure occurred due to an increased saturation of the sand materials accumulated for construction of the dams. This incident did not have any impact on the stability of the TSF dams, and did not have safety or environmental

consequences. The area was fully rehabilitated a day after the incident and the site developed and implemented additional processes and controls to prevent such an incident from occurring again.

Solid and Hazardous Waste Management

Solid and hazardous waste management is regulated in all operating jurisdictions. A core component of our environmental management program consists of reducing and managing risks through segregation at source facilities and focusing on reducing, reusing and recycling wastes. Where waste cannot be recycled or reused, waste transport and disposal are undertaken by licensed contractors and in accordance with local legislation and applicable permits.

New Developments in 2020

In 2020, we updated our tailings management framework and began implementing changes across our operations to remain up-to-date with evolving international best practice on tailings management. Many of these updates focused on incorporating elements of the Global Industry Standard on Tailings Management, which was released in August 2020. We also initiated the process of updating the OMS Manuals at all sites, incorporating guidance from the Mining Association of Canada.

As mentioned earlier, we also advanced implementation of the World Gold Council's *Responsible Gold Mining Principles (RGMPs)* and the Mining Association of Canada's *Towards Sustainable Mining initiative (TSM)*, both of which include tailings-related elements. The TSM Tailings Protocol is recognized globally as industry best practice and has been adopted by mining associations around the world as a benchmark. In 2020, operations and the corporate office conducted self-assessments against these frameworks to gauge the degree of alignment of our current tailings management. No findings of concern were identified from this assessment. The minor findings identified by these self-assessments have been included into 2021 action plans to ensure full alignment with the standards by 2022.



Climate change is one of society's most significant concerns and Yamana acknowledges that business has an important role to play in addressing this challenge. We demonstrate our commitment to combatting climate change through promoting energy efficiency across our operations and **in 2021, embarking on a comprehensive Climate Action Strategy, with a specific focus on emissions reduction toward carbon neutrality, supported by science-based targets.**

2020 HIGHLIGHTS

- 39% year-over-year decrease in GHG emissions
- 48% of grid electricity comes from renewable sources
- 47% reduction in energy intensity since 2018

Approach

Climate change is a global concern, but also translates into tangible physical risks at our operations and in host communities, as well as transition risks to our business. As such, significant effort has gone into assessing and monitoring these risks to reduce the likelihood of impacts on host communities and our business. Our strategy includes two main pillars: the first involves energy and emissions management, and the second focuses on mitigation, adaptation and preparedness. The second element of this strategy has been in place since 2016. The energy and emissions component of climate-related work has, in the past, focused on energy management on a site-by-site basis, such as activities and targets related to energy audits and fuel consumption and reduction. In late 2020 we recognized the need for a comprehensive strategic approach to act as a unifying force for our commitment to a low-carbon future.

We adopted a climate action strategy in early 2021, approved by the Executive Chairman and the Board of Directors, which guides our short-, medium- and long-term activities, and advanced our previous approach. Our strategy is founded on two high-level targets; science-based targets developed on a 2°C-aligned emissions scenario (compared to pre-industrial levels) and an aspirational net-zero by 2050 target. Our work in 2021 will establish our emissions baseline, develop preliminary operational

emissions reduction pathways, projects and budgets to meet both the mid-term science-based targets and the aspirational net-zero by 2050 target. Our climate action strategy also includes a commitment to full implementation of the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

This strategy is supported by a Climate Change Steering Group and Working Group made up of an interdisciplinary team of site and corporate Yamana employees across departments, including site General Managers and will be supported by an expert external consultant. To further demonstrate our company commitment to the success of this strategy, regular reports on progress are presented to the Steering Group which is made up of the SVP, HSSD, CFO and COO. The Steering Group reports on a regular basis to the CEO, Executive Chairman and the Board.

Outside of the new Climate Action Strategy, general oversight of climate change management occurs at the operational level through our local HSEC and operational teams with the support and leadership of our General Managers. At the corporate level, oversight and governance is provided by corporate and regional Directors of HSEC and the SVP, HSSD, as well as the Chief Executive Officer, Executive Chairman and the Board of Directors.

For information on our governance, strategy, risks and risk management, as well as site contexts related to climate change, please visit the Responsibility, Environment page of our website.

Performance

Our total energy consumption in 2020, considering fuel and electricity, was 695,352 MWh, a 44% decrease from 2019. This translated to an achieved 39% decrease in combined scope 1 and 2 emissions in 2020, resulting in a total GHG emissions of 180,129 tonnes CO₂ equivalent (tCO₂e) in 2020. This reduction was primarily the result of the sale of our Chapada operation in July 2019. However, operational interruptions due to the COVID-19 pandemic also contributed to our overall lower energy consumption and GHG emissions in 2020.

44% decrease in energy consumption

On a site-by-site basis, our Jacobina and Minera Florida operations reported incremental increases in energy use and resultant GHG emissions, primarily due to minor changes to production profiles, including fluctuations in ore grades and travel distances to access ore and plant facilities.

Conversely, our El Peñón and Cerro Moro operations experienced significant decreases in absolute GHG emissions. El Peñón temporarily halted operations at one mine area for approximately 2 months during 2020 to focus on other parts of the mine complex. The suspension of ore transport between the particular part of the mine complex and the plant (a distance of approximately 45 km) led to decreased emissions. The significant decrease in GHG emissions in 2020 at Cerro Moro is primarily the result of COVID-19-related production impacts. Cerro Moro was placed in care and maintenance for approximately 2 months and had a reduced production schedule thereafter in response to mandated restrictions put in place by the government in Santa Cruz Province.

Our calculated energy intensity in 2020 was 1.13 MWh/gold equivalent ounce (GEO), which is a 47% decrease compared to 2.12 MWh/GEO in 2018. As such, our GHG emissions intensity also decreased by 44%, from 0.52 tCO₂e/GEO in 2019 to 0.29 tCO₂e/k GEO moved in 2020.

39% decrease in our scope 1 and 2 emissions

These decreases are primarily the result of the sale of the Chapada property in July 2019.

As we have reported in past years, we are an energy-intensive business; fuel and electricity are the primary energy types consumed by our operations. The majority of fuel consumption is diesel used in mine vehicles and heavy equipment to transport ore and waste rock; the exception is Cerro Moro, where diesel is used as the primary source of electricity generation.

The majority of our electricity is sourced from the national and regional electrical transmission grids in each country where we operate. Electricity in our business is primarily used in ore processing and underground ventilation, as well to power mine offices, camps and common areas. Cerro Moro is not located near an electrical grid connection point and operates using diesel-powered generators. The proportion of renewable power sources in the national electrical grids varies between approximately 80% (Brazil), to 27% (Chile) and 25% (Argentina). We estimate that more than 48% of our purchased electricity comes from renewable sources, primarily hydropower.¹ We are fortunate that our operations are located in countries that incorporate renewable energy sources into national grids, enabling us to minimize electricity-related

GHG emissions. We are currently evaluating electrical supply options to reduce GHG emissions at Cerro Moro, including connecting to the grid.

In 2020 all of our sites were able to implement a variety of energy saving initiatives to advance our strategy of energy and emissions management. Some examples of programs at site are identified below:

Jacobina:

- Energy Audit
- Ventilation automation and improvements
- Optimization of exhaust fans

El Peñón:

- Upgrades to electric power system in Laguna mine (previously diesel-powered)
- Replacement of iridescent bulbs with LEDs in camp
- Solar PV panel use for admin offices, camp hot water, and lighting and surveillance systems

Minera Florida:

- Telemetric ventilation and water pump system
- Evaluation of solar panels for administration offices and a local community

Cerro Moro:

- Battery installation to optimize generator usage
- Changes to lighting system to support reflectors powered by solar panels
- Evaluation of wind energy project planned for 2021

¹ Iea. "Countries & Regions." IEA. November 01, 2019. Accessed May 13, 2021. <https://www.iea.org/countries>

In 2020 sites worked towards mitigating the physical impacts of climate change on their operations through the use of HSEC Improvement Plans. Environmental indicators within these plans are based on a variety of inputs deemed to be material to the operations' performance; one of these indicators is the Climate Change, Water and Biodiversity Risk Assessment that sites completed in 2018. While there were limited significant and immediate impacts from climate change that were likely to impact our operations, sites continue to incorporate the findings from these risk assessments into their annual improvement plans to mitigate potential impacts.

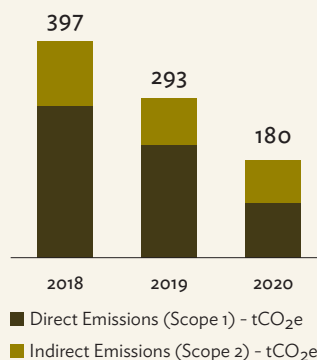
More detailed information on the Climate Change, Water and Biodiversity Risk Assessments, can be found in the Responsibility, Environment page of our website.

New Developments in 2020

Our commitment to climate action was demonstrated in 2020 by linking executive compensation to a GHG reduction target. In 2020 our goal to reduce absolute GHG emissions by 10% from 2019 levels was achieved. While we describe above that our significant reduction in GHG emissions is the result of the sale of our Chapada operation, we felt it was important that this target be reached without accounting for the reduction resulting from that sale and we were successful in doing so. Our Climate Action Strategy builds on this past success. Similar to our 2020 target, advancing this strategy will be linked to executive compensation in 2021.

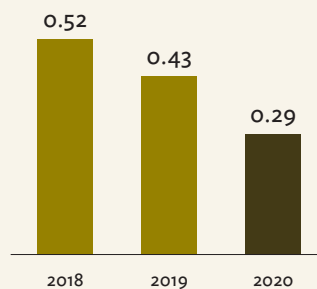
GHG Emissions

(000's tCO₂e)



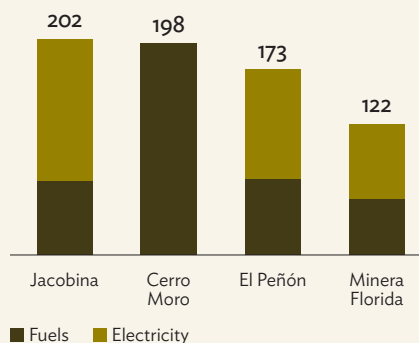
GHG Emissions Intensity

(tCO₂e/Gold Equivalent Ounce)



Energy Consumption

(000's MWh)



Climate Change cont.

As mentioned previously, we began implementing two industry-leading frameworks in 2020: The World Gold Council's *Responsible Gold Mining Principles* and The Mining Association of Canada's *Towards Sustainable Mining initiative*. Both frameworks cover a variety of GHG and energy efficiency topics, which will align our management systems with evolving international best practice and drive improved performance. In 2020, operations and the corporate office conducted self-assessments against these frameworks to gauge the degree of alignment of our emissions management practices. Findings from these self-assessments have been included in 2021 HSEC Improvement Plans to close gaps and ensure full alignment with the standards by 2022.

Looking forward, we will work to progress our Climate Action Strategy with the development of science-based targets and associated energy use and GHG reduction plans. This will advance all of our operations towards Yamana's ultimate objective of net-zero emissions by 2050.

Detailed information on our performance and progress towards this goal, as well as our governance, strategy and risk management related to climate change, will be provided in our TCFD Index that will be published in later 2021 in the Responsibility Reports section of our website.

Our access to land and privilege to operate depend on the ability to responsibly manage our impacts on the local environment; protecting biodiversity and ecosystem services in the areas surrounding our operations is an important part of ESG excellence. We do not operate in areas where significant impacts on biodiversity are present and strive to complete progressive reclamation wherever possible. **We prioritize biodiversity management first and foremost by minimizing impacts on the local environment and then look to positively contribute to long-term ecological health.**

2020 HIGHLIGHTS

- No sites operating in areas at risk of affecting critically endangered species
- 29 hectares of land reforested in 2020
- Introduction of evolving international best practice frameworks on biodiversity management

Approach

Biodiversity management at Yamana begins with ensuring that we have accurate biodiversity characterization information and an inventory of the ecological baseline in the areas where we operate. This allows us to have a detailed understanding of our impacts on flora and fauna. We then apply the mitigation hierarchy to properly mitigate and manage identified impacts. Based on findings from biodiversity assessments and ongoing data collection, each site develops and maintains its own Biodiversity Management Plan that incorporates local legal requirements and Yamana's overall approach to biodiversity conservation management. This includes progressive reclamation, protection and revegetation of endemic plant species, conservation of sensitive areas and critical habitats, and biodiversity offsets. We continuously engage with host communities and other stakeholders on both monitoring aspects, and our successes and challenges in implementing our plans. We also deliver biodiversity education in host communities to build their understanding and respect biological diversity.

More information on our governance, strategy, risk management and operational contexts related to biodiversity is available on the Responsibility, Environment page and the GRI Index on our website.

Performance

It is common for operational footprints at mine sites to change as the mine life evolves. As a result, we regularly conduct biodiversity monitoring and risk assessments to confirm we continue to limit our impact on the surrounding environment. While each site reviews their plans annually, the last company-wide biodiversity risk assessment process was conducted in 2017 – 2018. Those assessments, demonstrated that we do not currently pose a significant risk to biodiversity at any of our operations. Our operations are not located in remote or highly sensitive biodiversity areas, and notably our El Peñón and Cerro Moro operations are located in arid, desert areas with extremely low biological diversity values. These sites conduct baseline and regular monitoring aligned with local legal requirements to ensure minimal impact on the surrounding environment; because of the low level of natural biodiversity, annual reclamation and species management is not required at either operation.

In 2020, Jacobina and Minera Florida updated their biodiversity management plans. At Jacobina, a detailed flora and fauna inventory was completed and indicated that the operation did not contribute to any additional material impacts on biodiversity in 2020. This inventory also demonstrated the persistent high coverage of native species of flora, indicating that the protection and reclamation work being conducted by the sites was successful.

Our Minera Florida operation is located within the 205,000-hectare Cordillera de Cantillana Conservation Area and part of the biodiversity conservation plan includes a commitment to the reforestation and offset of more than 100% of the mine's footprint. The restoration is currently being conducted in the Cantillana region as an area with rich biodiversity similar to the potential impacts from the site. This biodiversity offset and management program protects local species, including Valeria's Grumbler, Naranjillo and the Elegant Tree Iguana. In 2020 Minera Florida continued this work with ongoing restoration and

maintenance of the area and in the Fundo Membrillo, an area covering 117 hectares where the operation has completed reforestation activities over the last number of years.

Our operations also continued ongoing activities, such as maintaining up-to-date biodiversity impact matrices, surveying and mapping sensitive areas for conservation, and maintaining fire control plans.

To further our biodiversity protection efforts at all sites, we conduct regular monitoring at all sites to ensure none of our operations are in areas that impact IUCN or nationally-listed critically endangered species.

New Developments in 2020

We began implementing two industry-leading frameworks in 2020 – the World Gold Council's Responsible Gold Mining Principles and the Mining Association of Canada's Towards Sustainable Mining Initiative. Both frameworks cover a variety of topics related to biodiversity and conservation, which will align our management systems with evolving international best practice and drive improved performance. In 2020, operations and the corporate office conducted self-assessments against these frameworks to assess the degree of alignment of our current biodiversity practices. Findings from these self-assessments have been included in 2021 HSEC Improvement Plans to close gaps and ensure full alignment with the standards by 2022.



Mine closure is an inevitable step in the life cycle of all mining operations. **We recognize that it is our responsibility to plan for the social and environmental aspects of closure**, and work to ensure land impacted by our operations is returned to a state that can be a sustainable resource supporting beneficial future land uses for our host communities.

2020 HIGHLIGHTS

- Reclaimed 29 hectares of land
- Maintained updated closure plans at all operations
- Annual updates to Asset Retirement Obligation value \$392.7 million

Our Approach

At Yamana, our approach to closure focuses on proactive planning, fulfilling our closure commitments and ensuring, at minimum, sites are returned to a condition that is acceptable to both government and local stakeholders. We approach closure through a variety of mechanisms, a key component of which includes closure plans and associated cost estimates for all operations. Wherever possible, we continue progressive reclamation of our operations and invest in host and surrounding communities to promote resiliency that allows them to thrive in a post-mine environment.

Our closure planning starts while we are completing our feasibility study and into the construction phase of the operation with additional details added as the operation progresses through the various stages of mine life. All sites, independent of where they are in their mine life, maintain up-to-date closure and reclamation plans, as well as allocate funds for cost of closure long before the closure of the mine. Closure plans are reviewed, updated and regularly submitted to authorities to ensure they properly reflect the changing mine footprint as well as regulatory and economic landscapes of their jurisdictions.

More information regarding Closure is available on the Responsibility, Environment page of our website.

Performance

Operating sites

Closure activities at our operations focus on proactive planning and managing impacts. Operating sites complete concurrent restoration where possible. In line with our strategy to promote proactive closure planning, our operating sites rehabilitated 29 hectares of land in 2020. This was completed primarily at our Jacobina operation. In addition to rehabilitation activities, Cerro Moro updated its closure plan in 2020 to be submitted to the local authorities in 2021.

Yamana ensures that our operations annually review and report their financial closure obligations. This includes understanding all site impacts, local regulations, and changes with the surrounding social environment. After reviewing all these factors, appropriate funds are allocated for necessary closure activities, through mechanisms including local reclamation bonds as well as recording Asset Retirement Obligation (ARO) coverage. Our total liabilities for reclamation and closure cost obligations as of December 31, 2020 were \$392.7 million on a 100% consolidated basis, of which \$338.8 is attributable to Yamana shareholders. This information is reported annually to the Board of Directors and Senior Management.

Closed Sites

Currently, a wholly-owned Yamana subsidiary manages two closed properties located in the western United States, Beartrack and Royal Mountain King. We also have partial liabilities for other closed sites of which we are not the sole owner. Each site is in full compliance with local regulations and permits.

Beartrack and Royal Mountain King are both in late-stage closure. No additional reclamation activities are required by permits at our Royal Mountain King site. However, we continued monitoring activities throughout 2020 to ensure responsible long-term maintenance of the area. Various closure activities took place at our Beartrack site, such as species management, facility repairs, and water management activities.

Contact Information

Yamana Gold Inc.
200 Bay Street
Royal Bank Plaza, North Tower
Suite 2200
Toronto, Ontario M5J 2J3
Phone: 416-815-0220

Craig Ford
Senior Vice President,
Health, Safety and Sustainable Development
Phone: 416-815-0220/1-888-809-0925
Email: sustainability@yamana.com



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www.yamana.com