

## Anti-Bribery and Anti-Corruption Policy

Dated as of October 25, 2017

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### 1. Purpose

This Policy provides further guidance in support of the Yamana Gold (“Yamana”) Code of Conduct.

Canada’s Corruption of Foreign Public Officials Act (“CFPOA”) and the U.S. Foreign Corrupt Practices Act (“FCPA”), like the laws of many countries, including those that have adopted the Organization for Economic Cooperation and Development (“OECD”) Anti-Bribery Convention, prohibit the bribery of public officials and provide for serious criminal and civil penalties for violations of the prohibition. As a company headquartered in Canada, with listings on stock exchanges in Canada and the United States, Yamana is subject to the CFPOA and to the FCPA (collectively, “Applicable Anti-Corruption Laws”). The Applicable Anti-Corruption Laws also require Yamana to keep accurate books and records and adopt internal controls to prevent improper and unauthorized payments; these requirements extend to Yamana’s foreign subsidiaries.

Other Canadian, U.S., and local laws commonly prohibit commercial bribery (also known as private sector corruption), and some anti-corruption laws make receiving a bribe a crime as well. It is Yamana policy to prohibit bribery in all of its forms.

For purposes of this Policy, outreach to and engagement with public officials (including legislators and regulators) for the purpose of advancing Yamana’s legitimate business interests is not considered improper, provided that such outreach or engagement complies with this Policy.

### 2. To Whom This Policy Applies

This Policy applies to all Yamana directors, officers, employees, and any party acting on behalf of or representing Yamana (collectively “Yamana Personnel”) worldwide. Yamana Personnel who are temporary workers, contractors, consultants, agents, representatives, or non-employees performing Yamana work are required to ensure that their actions on behalf of Yamana meet the same high standards of integrity expected of Yamana directors, officers, and employees.

### 3. Elements of the Applicable Anti-Corruption Laws

Under the Applicable Anti-Corruption Laws and Yamana policy, Yamana Personnel are prohibited from directly or indirectly:

- Giving, offering, promising, authorizing, or agreeing to give or offer
- Anything of value or benefit of any kind
- To a public official
- For the purpose of
- Obtaining or retaining any business or advantage for Yamana.

Although there are some differences in wording in the Applicable Anti-Corruption Laws, they generally address the same type of conduct. The language of the Applicable Anti-Corruption Laws is interpreted broadly, and therefore may apply to a wide range of situations. The following concepts are essential to understand the scope of the Applicable Anti-Corruption Laws' prohibition against bribing public officials.

*Giving* – The concept of giving includes even the offer or promise of an improper payment, and includes payments made directly and indirectly. Therefore, you may not authorize or direct improper payments through third parties or otherwise make payments to a third party knowing or having reason to know that the third party will likely make an improper payment to a public official.

*Anything of Value* – “Anything of value” includes money (whether cash or cash equivalents such as gift certificates), gifts, entertainment, accommodations, employment, access, or anything else of tangible or intangible value.

*Public Official* – “Public Official” includes officers and employees, regardless of rank, of local governments, national governments, government-owned or -controlled companies (including those that may not serve a governmental or public function), and public international organizations (such as the United Nations or World Bank). The term also includes political parties, party officials, and candidates for public office and may include local community leaders, relatives of public officials, and members of a royal family.

*Business or advantage* – Payments to improperly obtain government business, or other advantage for Yamana, including reduction in taxes, tolerance of non-compliance with applicable laws or regulations, or any other favour or preferential treatment are not permissible under the Applicable Anti-Corruption Laws.

## 4. Permissible Expenses

In limited circumstances, business entertainment, gifts, and travel and accommodations for public officials may be appropriate but must comply with the guidelines provided in this Policy and with the Yamana Gift and Entertainment Policy. Prior to offering any business entertainment, gifts, travel or accommodations to any public official, any such expense must be discussed with and approved by the Legal Department in Toronto.

The Applicable Anti-Corruption Laws require that Yamana and its subsidiaries support all expenses with receipts and promptly and accurately record such expenses in Yamana's books and records. Yamana Personnel providing or approving such expenses should also document the business purpose or justification of the expenses.

### *Business Entertainment*

Because Canadian, U.S., and most foreign laws closely regulate payments and gifts for public officials, business entertainment that may be acceptable in a commercial setting may not necessarily be acceptable when interacting with public officials.

Yamana Personnel must adhere to the following principles when interacting with public officials:

- When reaching out to or engaging with public officials, Yamana Personnel shall ensure that such interaction is done in the presence of one or more other Yamana Personnel.
- The entertainment should have a valid business purpose. For example, it should be directly connected to, and balanced with, a separate business meeting or should be used as an opportunity to promote or discuss Yamana business.
- In all cases, the value of the entertainment must be reasonable in view of the business purpose. The entertainment must not be excessive or lavish, so frequent as to allow the impression that the entertainment is intended to influence the official, or of a kind that might otherwise prove embarrassing to Yamana.
- All entertainment expenses must be supported by receipts and promptly and accurately recorded in Yamana's books and records.
- The Applicable Anti-Corruption Laws provide an exception for reasonable travel and accommodation expenses for public officials to visit Yamana facilities. Pre-approval of the Legal Department in Toronto is required for all such expenses.

## Gifts

When dealing with public officials, it is important to avoid even the appearance of seeking to influence a public official improperly with a gift.

- Gifts must be legal and customary in the jurisdiction in which they are given, but in no case in the form of cash or cash equivalents.
- Gifts must be of token or nominal value.
- Gifts should be given openly, and should not be given frequently to the same public official.
- Gifts should be documented.

## 5. Third Parties/Agents and Public Officials

Yamana Personnel must take particular care when dealing with third parties—such as agents, consultants, representatives, and joint venture partners—who will interact with public officials on behalf of Yamana. Where circumstances could suggest to Yamana Personnel that there is a high probability that the third party could make an improper payment to a public official, then Yamana may be held liable for such improper payment.

The Code of Conduct requires that due diligence be performed on all agents and other third parties who interact with public officials on behalf of Yamana, and requires that such agents and third parties become familiar with and comply with the Code.

Yamana Personnel responsible for third parties must be alert for signs—“red flags”—that the third party may be making improper payments to public officials. It is the responsibility of Yamana Personnel either to make additional inquiries whenever red flags appear or to refer the matter to a supervisor or their Local Legal Representative, as appropriate.

Red flags that may appear during the course of a business relationship include, for example:

- *Ties to the government* – the business partner has close personal or family ties to a public official that the partner is seeking to influence to act in favour of Yamana.
- *Suspicious statements* – the business partner states that he can “get the business” or “make the necessary arrangement” but refuses to explain how he intends to do so.
- *Inadequate documentation* – the business partner refuses to provide adequate invoices or provides suspicious invoices.
- *Unusual requests* – the business partner makes requests for payments, compensation, or delivery that are inconsistent with the contract or are otherwise unusual.

- *Misrepresentation* – you learn that the business partner made misrepresentations during the contract formation period on any issue, such as identity, capabilities, etc.

## 6. Facilitation Payments

In some countries, often despite illegality under local law, it is common practice to make small payments to low-level government employees to expedite routine services to which the payer has a legal right, such as obtaining phone service. It is Yamana policy not to make such facilitation or “grease” payments, which may be considered bribes under some laws. Please consult your Local Legal Representative if you have any questions.

## 7. Record-Keeping and Internal Controls

Yamana and all of its subsidiaries must maintain controls to ensure that Yamana assets are properly controlled, that transactions are executed only with proper authorization, and that transactions are properly recorded.

All Yamana Personnel must accurately and fairly record, in reasonable detail, all transactions and dispositions of the assets of Yamana and its subsidiaries. Yamana Personnel must not participate in falsifying any accounting or business document, including all books, records, and accounts. No undisclosed or unrecorded fund or asset may be established or maintained for any purpose.

## 8. Applicable Anti-Corruption Laws Training

All Yamana employees involved in business development efforts, including temporary workers and contractors, are required to complete training on the Applicable Anti-Corruption Laws within the first two months of hire and to participate in a training session annually, thereafter. Web-based training sessions on the Applicable Anti-Corruption Laws are offered annually by the Human Resources and Legal Departments. In addition, business development consultants are required to participate in the web-based training prior to commencing work for Yamana.

## 9. Reporting Concerns or Violations

If you suspect or have concerns that Yamana Personnel or a Yamana business partner has violated this Policy, the CFPOA, FCPA, or any anti-corruption law or regulation, you must immediately notify the Yamana Integrity Helpline ([www.yamana.ethicspoint.com](http://www.yamana.ethicspoint.com); see Yamana’s Whistleblower Policy for local phone numbers). You may also contact your Local Legal Representative, or the Legal Department in Toronto.

## 10. Related Policies

Other Yamana policies you may want to consult include, but are not limited to:

- Gift and Entertainment Policy
- Supplier Policy
- Conflicts of Interest Policy in the Code of Conduct

## 11. Where do I go for help or advice?

If you have any doubt about whether an action involving public officials is appropriate, you should seek guidance before taking such action. Please contact your supervisor, your Local Legal Representative, a member of the Legal Department in Toronto, or the Yamana Integrity Helpline ([www.yamana.ethicspoint.com](http://www.yamana.ethicspoint.com)); see Yamana's Whistleblower Policy for local phone numbers).