

## **Sources for Shareholder resolution submitted to Goldcorp Inc.**

(March 21, 2011)

International Labour Conference, 99th Session, 2010 *Report of the Committee of Experts on the Application of Conventions and Recommendations*

(<http://www.ilo.org/public/libdoc/ilo/P/09661/09661%282010-99-1A%29.pdf>)

- ...the Committee, noting that the Government's report reiterates the information provided previously, expresses its concern regarding the lack of progress in the case under examination and urges the Government to suspend the exploitation in question until the studies provided for in Article 7(3) of the Convention and the prior consultation provided for in Article 15(2) of the Convention can be carried out, and to provide detailed information in this regard. Furthermore, the Committee asks the Government to take the measures necessary to shed light on the incident in which a villager died in the course of a demonstration against the installation of a cylinder for the mine and requests it to provide detailed information in this respect. (Page 770)

Inter-American Commission on Human Rights, Precautionary Measures Granted by the Commission during 2010 - *PM 260-07 Communities of the Maya People (Sipakense and Mam) of the Sipacapa and San Miguel Ixtahuacan Municipalities in the Department of San Marcos, Guatemala*

(<http://www.cidh.oas.org/medidas/2010.eng.htm>)

- The Inter-American Commission asked the State of Guatemala to suspend mining of the Marlin I project and other activities related to the concession granted to the company Goldcorp/Montana Exploradora de Guatemala S.A., and to implement effective measures to prevent environmental contamination, until such time as the Inter-American Commission on Human Rights adopts a decision on the merits of the petition associated with this request for precautionary measures.
- These measures also include water, health and security issues: "The IACHR likewise asked the State to adopt the necessary measures to decontaminate, as much as possible, the water sources of the 18 beneficiary communities and to ensure their members access to water fit for human consumption; to address the health problems that are the subject of these precautionary measures, in particular to begin a health assistance and health care program for the beneficiaries aimed at identifying those who may have been affected by the consequences of the contamination, so as to provide them with appropriate medical attention; to adopt any other necessary measures to guarantee the life and physical communities; and to plan and implement the protection measures with the participation of the beneficiaries and/or their representatives."

Goldcorp's Human Rights Policy. "Our commitment to respect human rights is informed by international law, including:

- ...ILO Convention 169 on Indigenous and Tribal Peoples,
- ...Report of the Special Representative of the Secretary-General on the issue of human rights and transnational corporations and other business enterprises (John Ruggie),
- United Nations Voluntary Principles on Security and Human Rights..."

World Bank Compliance Advisor Ombudsman, *CAO Follow-Up Assessment, Guatemala - Complaint Regarding the Marlin Mining Project* (May 2006) ([http://www.cao-ombudsman.org/cases/case\\_detail.aspx?id=95](http://www.cao-ombudsman.org/cases/case_detail.aspx?id=95))

- The key parties should carefully assess the risks of continuing with exploration activities in the Sipacapa, particularly in the current climate of a tense calm, and make a judgment of the most appropriate course of action. Parties should focus on confidence building measures that could be offered in order to secure the social and political conditions for dialogue. For example, what would it take for the company to declare a temporary voluntary suspension of exploration activities in Sipacapa? (Page 12, Recommendation 4.1.1)

Human Rights Impact Assessment of Goldcorp's Marlin Mine, Commissioned on behalf of Goldcorp by the Steering Committee for the Human Rights Impact Assessment of the Marlin Mine (May 2010) (<http://www.hria-guatemala.com/en/MarlinHumanRights.htm>)

- *Adopt a moratorium on land acquisition* - Halt all land acquisition, exploration activities, mine expansion projects, or conversion of exploration to exploitation licenses, pending effective State involvement in consultation with local communities, and agreements put in place with communities to structure future land acquisitions. (Page 133)

Jantzi Research, Jantzi Research Recommends Goldcorp As Ineligible for SRI Portfolios, (February 2008) (<http://www.sustainalytics.com/jantzi-research-recommends-goldcorp-ineligible-sri-portfolios>)

- Jantzi Research's experience highlights that there is growing opposition from local indigenous communities to Goldcorp's Marlin mine in Guatemala based on community compensation and land rights, inadequate consultation with indigenous peoples, threats to safety and security in addition to the environmental impacts of the mine's operations;
- Goldcorp has not provided adequate indication that it has addressed the communities' health concerns associated with its operations in Honduras, according to Jantzi Research; and
- Goldcorp has the highest environmental fine total among mining companies on the TSX Composite Index, according to the Canadian Social Investment Database.
- Goldcorp continues to face community and aboriginal relations difficulties in Guatemala and Honduras, as well as environmental compliance challenges. Based on the concerns described above Jantzi Research considers Goldcorp to be ineligible for investors that seek to avoid companies with poor performance in these areas relative to industry counterparts.

### **International Urgent Actions**

Amnesty International, *UA: 163/10 Index: AMR 34/008/2010 Guatemala Date: 21 July 2010*, "Guatemala: One mining activist shot, another threatened: Deodora Hernández and Carmen Mejía" (<http://www.amnesty.org/en/library/asset/AMR34/008/2010/en/957fdd4a-e9c5-429d-8682-07d10bf5da42/amr340082010en.html>)

- On 7 July, a Guatemalan human rights defender campaigning against mining in her Indigenous community was shot. Another activist campaigning locally against mining has been threatened.
- Deodora Hernández is a grassroots activist who has protested against the allegedly negative effects of mining in her local Indigenous community in Ágel, San Miguel Ixtahuacán municipality, San Marcos department, in south-western Guatemala. She has also spoken out to defend her community's right to water amidst fears that mining operations have affected the local water supply. On 7 July, she was shot at close range in her own home.
- On 16 June, the UN Special Rapporteur on the situation of human rights and fundamental freedoms of Indigenous People visited the municipality of San Miguel Ixtahuacán, to investigate whether the Indigenous communities had been adequately consulted about the establishment of the mining operation there. On 12 and 15 June, Carmen Mejía, another activist campaigning against the alleged impacts of the mining on local people's human rights, received a number of threatening text messages, saying that she shouldn't defend human rights and that she would be killed. During the Special Rapporteur's visit, Carmen Mejía spoke in a public meeting with him about the human rights that the mine is allegedly violating. On 18 June, Carmen Mejía received a further threatening text message.
- The 18 Indigenous Mayan communities in the municipalities of San Miguel Ixtahuacán and Sipacapa, San Marcos department, should already be under protection, because on 20 May 2010, the Inter-American Commission on Human Rights (IACHR) granted them precautionary protective measures. The IACHR requested that the Guatemalan government take measures to safeguard their lives and safety and suspend operation of the Marlin mine, owned by Montana Exploradora de Guatemala, S.A., a wholly-owned subsidiary of Goldcorp.

Amnesty International, *Individuals at Risk Program*, “Carmen Mejía: Threatened with death for defending her community” (<http://www.amnesty.ca/atrisk/index.php/carmen-mejia/#post-512>)

- Carmen Mejía is from a Mayan community in Guatemala. Her life is at risk because she is campaigning against impacts of mining on her community's human rights.
- “*You shouldn't defend human rights, or you'll be killed.*” Carmen received this warning several times in June. Carmen works for a development organization that represents members of Indigenous communities seeking to protect their right to water, land, housing, freedom of expression and cultural identity. She has spoken at public meetings about her concerns about the Marlin Mine, which is owned by a subsidiary of Canadian mining company Goldcorp.
- In July, a month after Carmen received death threats, someone shot her fellow grassroots activist, Deodora Hernandez, in the eye at close range. At the time, Deodora was speaking out about the impact of a mine on her community's water supply. She was seriously wounded, but she survived.
- The attempt on Deodora's life is part of a pattern of violent attacks against opponents of Canadian mining projects across Central America, and underscores how seriously we must take the threats made against Carmen Mejía.

Amnesty International, *57/11 Index: AMR 34/002/2011 Guatemala Date: 03 March 2011*, “Guatemala: Mine activists beaten and threatened”

(<http://www.amnesty.org/es/library/asset/AMR34/002/2011/en/e99a7253-74fb-48fd-9448-a82c1bcb9805/amr340022011en.html>)

- On 28 February, 200 members of the communities of San Miguel Ixtahuacán municipality were protesting against the Guatemalan state's failure to suspend extraction activities in the Marlin mine, in the San Miguel Ixtahuacán municipality, in the San Marcos department of south-western Guatemala. Activities have continued at the Marlin Mine, owned by Montana Exploradora de Guatemala, S.A., a wholly-owned subsidiary of Goldcorp, despite the Inter-American Commission on Human Rights (IACHR) ordering for activities to be suspended until the effects of the mine on local indigenous communities are properly assessed.
- The protests, organized by the Front in Defense of San Miguel Ixtahuacán (FREDEMI), lasted around 12 hours. When the protesters left, the bus they were travelling in was stopped and the protesters were forced to get off the bus and were beaten and robbed. Some protesters were taken from the group and attacked individually. Miguel Bamacá, who the IACHR has already requested the Guatemalan government protects, and Aniceto López were singled out. Aniceto López was reportedly taken to the office of the local mayor where he was beaten in the face, robbed of his documents and possessions, and threatened with death. Others were seriously injured, such as Fredy González, who was hospitalized due to an injury caused by being hit by a firearm.

### **International Press by Date:**

BBC News. "Crossing Continents, Guatemala and Canada Gold Rush." September 9, 2008.

([http://news.bbc.co.uk/go/pr/fr/-/2/hi/programmes/crossing\\_continents/7606571.stm](http://news.bbc.co.uk/go/pr/fr/-/2/hi/programmes/crossing_continents/7606571.stm))

Reporter Bill Law: Goldcorp says, ‘we operate at the highest environmental standards and are committed to restoring the land once the gold runs out.’ But environment is more than land it is people too. And like the descendants of those Native North Americans swept aside by the Klondike Gold Rush more than 100 years ago, the Mayan people have the right to ask what lessons have been learned since.”

The Guardian. Rory Carroll. “Gold giant faces Honduras inquiry into alleged heavy metal pollution.” Dec 31, 2009. (<http://www.guardian.co.uk/environment/2009/dec/31/goldcorp-honduras-pollution-allegations>)

Villagers and NGOs have accused Goldcorp of poisoning people and livestock by contaminating the Siria valley

Authorities in Honduras are investigating claims that one of the world's biggest gold mining corporations has contaminated a valley with toxic heavy metals. Villagers and non-governmental organisations have accused Goldcorp of killing livestock and making people sick by polluting land and rivers in the Siria valley.

People in villages bordering the site say the damage is done and the fields and streams are poisoned. "The water tastes like acid, like something out of a car battery," said Roger Abraham, vice-president of the Siria Valley Environmental Committee, an activist group. "It would have been better if the mine never came. It has done more harm than good."

The first study, by Paul Younger, a Newcastle university hydro-geochemical engineering professor and expert on mine water management, detected acidic mine drainage, whereby sulphides in the rock are exposed to oxygen and water and produce sulphuric acid. Younger said this can have devastating effects on animals and plants.

A follow-up study by Adam Jarvis and Jaime Amezaga, also of Newcastle University, found evidence of "severe" contamination in the form of highly acidic and metal-rich water from the mine site flowing into a stream used by villagers for agriculture and domestic purposes. The data was in a previously undisclosed 2008 report by Defomin, Honduras's mining regulatory authority.

Reuters. Cameron French. "Goldcorp eyes dividend hike, defends foreign ops." May 19, 2010.

...At the meeting, Jeannes faced questions about the company's practices at operations in Chile, Honduras, and particularly Guatemala, where its Marlin mine has faced frequent opposition since it was built about five years ago.

Local and environmental groups have alleged the mine contaminates drinking water, causing skin rashes on people living near the project. Others have disputed Goldcorp's rights to mine on the land.

Reuters. Hugo Miller. "Goldcorp Called on to Shut Mine in Guatemala Pending Probe, Globe Reports." June 8, 2010.

Goldcorp Inc., the world's second-largest gold producer by market value, has been called on to shut its Marlin mine in Guatemala until an investigation into human rights and environmental issues is complete, the Globe and Mail reported.

The Inter-American Commission on Human Rights, part of the Organization of American States, wants to investigate whether the Guatemalan government gave permission to Goldcorp to start operations without the consent of local Mayan residents, the newspaper reported.

Reuters. Herbert Hernandez and Sean Mattson. "CORRECTED - Guatemala to evaluate call to close Goldcorp mine." June 10, 2010.

Guatemala's government said on Thursday it was evaluating a request by the Inter-American Commission on Human Rights to close the country's only major gold mine, citing environmental concerns.

The Commission, which is part of the regional Organization of American States, requested last month that Canadian company Goldcorp (G.TO) suspend mining operations at its Marlin mine, claiming water sources around the site have been contaminated.

Goldcorp said in a statement this week that the Commission's allegations were "entirely without merit" but Guatemala's government said it was studying the request to decide if it will take action, while signaling a shutdown was unlikely.

President Alvaro Colom told reporters last week that he was waiting on reports from government ministries before making a decision but suggested the complaints would not stand.

"There is no basis for (closing the mine)," Colom told reporters.

Marlin mine produced 274,900 ounces of gold and 4.16 million ounces of silver in 2009. The mine, in the western highlands of Guatemala, has met with sporadic opposition from some of the Mayan villages near the project since building began in 2004.

Bloomberg. Blake Schmidt and Christopher Donville. "Guatemala Says No Evidence of Pollution Found at Goldcorp's Marlin Mine." June 17, 2010.

Marlin is among mines in Guatemala established without full consultation of indigenous Maya residents, said Rural Unity Committee, a rights group. The Maya allege Marlin put metals in water supplies, damaging the health of local people, according to a University of Michigan study. The Inter-American Commission on Human Rights, an arm of the Organization of American States, has given Guatemala until June 24 to close Vancouver-based Goldcorp's mine while the claims are investigated.

...The Goldcorp unit that owns and operates Marlin "has mainly been in a reactive and defensive mode" when dealing with complaints that affect human rights, the report said. The unit's "reliance on national legal frameworks has not provided an adequate foundation upon which to respect human rights, particularly in the areas of indigenous peoples rights."

University of Michigan researchers found "elevated" levels of toxic metals in rivers near the mine and among indigenous local residents. Their study, which was released last month, called for the creation of a panel to oversee a more "rigorous" investigation.

Still, Guatemala's Ministry of Environment and Natural Resources recommended in a May 27 memo that the IACHR's request for the mine's suspension should be obeyed, and it called on prosecutors to take legal action.

Should Guatemala fail to comply with the IACHR's demands, the commission may ask an affiliated organization, the San Jose, Costa Rica-based Inter-American Court of Human Rights, to order the temporary closure of Marlin, IACHR spokeswoman Maria-Isabel Rivero said in a June 14 interview from Washington.

Bloomberg. Matt Walcott . "Canada Stocks Gain as Gold Producers Rise in Flight to Safety; Teck Falls." Jun 17, 2010.

Guatemala's vice president said his government hasn't found evidence of environmental damage or human-rights violations at the company's Marlin mine. The Inter- American Commission on Human Rights has called for a halt to operations at the request of indigenous Maya residents.

The Huffington Post. Emma Ruby-Sachs. "An Environmental Disaster We CAN Avoid: Canadian Mining in Guatemala." June 18, 2010.

Canadian mining giant, Goldcorp, has been ordered to suspend mining operations in Guatemala. The Inter-American Commission on Human Rights found evidence that a mine in an indigenous region outside of Guatemala City was poisoning the water supply essential to agricultural development and human survival in the region.

This is not the first time Goldcorp has run into trouble in Guatemala. Veteran news reporter, CTV's Paula Todd, spent two weeks in Guatemala last month reporting on the human rights abuses inflicted by the company upon the rural community. These abuses include allegations that Goldcorp and/or the Guatemalan government murdered a local activist because of his objection to the environmental destruction caused by the mining operation. The International Labour Organization has already called on the Guatemalan government to close the Goldcorp operation because of human rights abuses in the area. Even Goldcorp's own Human Rights Impact Assessment called for a halt to mining activities because of serious human rights abuses at the mine.

Reuters. Robert Campbell. "Guatemala says to suspend Goldcorp's Marlin mine." Jun 23, 2010.

The Guatemalan government said on Wednesday it would begin the process to suspend operations at Goldcorp Inc's (G.TO) (GG.N) Marlin mine in the country due to allegations the facility was contaminating water supplies.

The government said in a statement it would act to comply with a complaint lodged on behalf of communities near the mine by the Inter-American Commission for Human Rights.

Reuters. Robert Campbell. "UPDATE 1-Guatemala says to suspend Goldcorp's Marlin mine." June 23, 2010.

The Guatemalan government said on Wednesday it would suspend operations at Goldcorp Inc's (G.TO) (GG.N) Marlin mine due to allegations the facility was contaminating water supplies.

The government said in a statement it would act to comply with the complaint lodged on behalf of communities near the mine by the Inter-American Commission for Human Rights, known by its Spanish acronym CIDH.

"In response to the CIDH's request for a suspension of operations ... (the government) will comply in order to meet its international treaty obligations," the statement said.

The suspension will be ordered even though Guatemalan officials have not been able to confirm the allegations through testing, the government said. A CIDH delegation is due to visit the mine in July.

Reuters. Sarah Grainger. "Goldcorp Guatemala mine still operational -gov't." June 24, 2010.

Marlin mine in Guatemala is still operating and the process to suspend operations at the facility could take months, a spokesman for the Guatemalan mining ministry said on Thursday.

The Guatemalan government said on Wednesday it would begin a process to suspend operations at the mine to comply with a request from a regional human rights group, even though its own studies had not been able to verify complaints by community groups near the mine about its operations.

Bloomberg. Blake Schmidt and Christopher Donville. "Guatemala Said Goldcorp Must Suspend Operations at Marlin Mine Amid Probe." June 24, 2010.

Goldcorp Inc., the second-largest gold producer by market value, must temporarily shut its Marlin mine in Guatemala during a probe into alleged environmental damage and human-rights abuses, a government official said.

"They have to suspend operations," Fernando Barillas, an adviser to Guatemalan President Alvaro Colom, said today in a telephone interview. "It's a resolution that has to be obeyed. But there's no exact date yet. Perhaps within 15 days or a month. We have to give them time so they can close."

The Inter-American Commission on Human Rights, an arm of the Organization of American States, asked Guatemala last month to close Marlin ahead of an investigation into human-rights and pollution complaints by nongovernmental organizations and local community groups.

Marlin is among mines in Guatemala established without full consultation of indigenous Maya residents, said Rural Unity Committee, a rights group. The Maya allege Marlin put metals in water supplies, damaging the health of local people, according to a University of Michigan study.

Reuters. Sarah Grainger. "UPDATE 3-Goldcorp Guatemala mine will remain open for now." June 24, 2010.

Goldcorp Inc's Marlin mine in Guatemala is still operating and the government will need months to comply with a request to suspend operations there due to environmental concerns, the mining ministry said on Thursday.

The Guatemalan government said on Wednesday it would begin a process to halt activity at the mine after a regional human rights body said water around the mine was contaminated.

The Inter-American Commission of Human Rights, part of the Organization of American States, is investigating complaints of contaminated water supplies from local residents who live near the mine in western Guatemala.

A team from the Inter-American Commission of Human Rights will visit the mine in July to conduct more evaluations.

Reuters. Euan Rocha. "Goldcorp weighs recommendations on Guatemalan mine." June 30, 2010.

Goldcorp Inc (G.TO) said on Wednesday it will consider implementing a series of recommendations made in an independent human rights assessment of its controversial Marlin mine in Guatemala.

The gold-silver mine in western Guatemala is operated by Montana Explorada de Guatemala, a wholly owned subsidiary of Goldcorp. It began production in 2005. The operation has been plagued by controversy since its inception, with continuing claims of human rights violations from locals in the region.

The Inter-American Commission of Human Rights is currently investigating complaints and has requested the Guatemalan government suspend operations. Last week, the government said it would take months to comply with the request.

The independent report, commissioned in 2008 at the urging of a group of Goldcorp shareholders, recommended the company increase transparency on environmental issues, expand its consultation process with all stakeholders and improve its human resources policies, among a range of other suggestions.

The Huffington Post. Tracy L. Barnett. "Goldcorp's Marlin Mine: Development for Death." July 1, 2010.

Residents complain of strange rashes on their children's skins and other symptoms, of cracks in the walls of houses near the mine, and of repression from local authorities when they dare to speak out against the mine. A recent study by University of Michigan physicians showed elevated levels of heavy metals in the blood of residents living near the mine, but said they were uncertain whether those levels constituted a risk.

Bloomberg. Matt Walcott. "Ontario Teachers' Pension Buys 1.7% Transocean Stake Worth \$280 Million." Aug 3, 2010.

Ontario Teachers' also bought 1.17 million shares of Goldcorp Inc., Canada's second-largest gold producer, in the second quarter, to make the company its No. 2 equity holding with 5.05 million shares owned. Goldcorp is in a dispute with the government of Guatemala over alleged environmental damage and human-rights abuses at a mine there.

New York Times. "Goldcorp Achieves Record Cash Flow; Earnings More than Double." February 24, 2011.

Operations at Marlin continue normally while the administrative process by the Guatemalan government is underway. The process is in response to precautionary measures issued by the Inter-American Commission on Human Rights (IACHR) which included a recommendation to suspend operations at Marlin. Goldcorp strongly believes the IACHR's action is based on environmental allegations that are demonstrably without merit. On October 25, the IACHR held a public audience at which representatives of the Municipality of Sipacapa and the government of Guatemala appeared. The government's responses to the IACHR expressly confirm that studies conducted by the Ministry of Energy and Mines, the Ministry of Health and Social Welfare, and the Ministry of Environment and Natural Resources in Guatemala demonstrate there is no evidence of pollution or ill effects to public health or the environment as a result of operations at Marlin. The Government of Guatemala also stated that an assessment by the Ministry of Health and Social Welfare did not detect any disease linked to alleged contamination.

### **Domestic Press by Date:**

The Toronto Star. Celeste Mackenzie. "Canadian mine in eye of storm." March 27, 2005.

But indigenous leaders and environmentalists, led by local Catholic Church leaders, say the government failed to hold required consultations with the Mayans who live in these western highlands, and they've criticized the Canadian embassy for its very public support of the project.

Here in Guatemala, many say the Glamis mine will damage the environment.

In addition to the issue of proper consultations, critics say royalties to be paid to the government - 1 per cent of the value of extracted metals - are too low, even if they could be accurately calculated.

Recently, about 3,000 people, including local Bishop Alvaro Ramazzini, protested in the streets of San Marcos, the state capital, demanding that mine operations be halted.

"The company has come to violate our human rights and ruin the environment," he claimed.

National Post's Financial Post & FP Investing. Kelly Patterson. "Glamis Gold project divides Guatemala: Indigenous peoples, Catholic Church side against government, Canadian miner." April 27, 2005.

Violence over a Canadian gold mine is threatening the fragile peace in Guatemala, which is reeling in the aftermath of its 36-year civil war.

Clashes over Glamis Gold Ltd.'s fledgling project 130 kilometres northwest of Guatemala City have escalated recently, with a car bombing and two killings.

Amnesty International issued a call for "urgent action" last week after three opponents of the mine received death threats. Anti-mining activists have in turn menaced Glamis staff, the company says.

Conflict over the mine has split the country, with indigenous people and church groups facing off against the government. Much of the civil war was fought in the same highlands, where the suppression of insurgents by the U.S.-backed army left about 200,000 dead or missing, mostly Mayans.

The Catholic Church has been so vocal in its opposition to the Glamis project that The Washington Post recently speculated the conflict could rekindle the long-dormant "liberation theology" movement, in which priests took on authoritarian governments throughout Central America. Observers say the movement is gaining momentum with the recent death of Pope John Paul II.

In December, protesters blocked a convoy of mining equipment for 42 days; on Jan. 11, police fired on protesters, killing one and injuring several more.

The Globe and Mail. Roma Luciw. "Glamis seen as golden opportunity; Analysts bullish despite negative publicity." June 9, 2005.

Shares of Glamis Gold Ltd. have lost a touch of their gleam this year, tarnished by a string of negative publicity surrounding the company's fledgling gold and silver mine in Guatemala.

Opposition to the Marlin mine which is under construction, escalated in January after a villager was killed as police and soldiers helped escort equipment through road blockades set up by peasants.

The company went on the offensive in April, issuing a series of press releases on the subject. Its latest statement, released last night, blasted a proposed referendum on future mineral development.

Glamis Gold's Marlin mine in Guatemala has come under local and international criticism but it is expected to be the miner's largest and most profitable project.

The Globe and Mail. Steve Brearton, Naeema Bhyat, Rob Gross, Irene Sosa, Nancy Palardy, Nicole Fernando. "BEYOND THE BOTTOM LINE; You know what their shares are worth, but are the companies in your portfolio good corporate citizens? In our fourth annual look at corporate social responsibility, we survey five of Canada's biggest industries and rank the leaders-and the stragglers." February 23, 2007.

Goldcorp: D+

Goldcorp has significantly improved its environmental, health and safety management systems and reporting, but still faces concerns about its mines in Honduras and Guatemala.

CRITICAL ISSUES: Community relations

Many companies still have a poor record when it comes to consulting with local communities, and few address the issues that would make consultation effective-giving communities the resources needed to evaluate a project, for example. Upon acquiring Glamis Gold last year, Goldcorp inherited two controversial projects: a mine in Honduras that locals blame for releasing cyanide into their water supply (the firm denies it) and one in Guatemala, where indigenous people in the region voted against the mine in a referendum that the company is still fighting in court.



National Post's Financial Post & FP Investing. Barry Critchley. "Jantzi's social balance." May 5, 2008.

A group of socially responsible investors aren't pleased with the recent decision by Jantzi Research to make two changes in the Jantzi Social Index, (JSI) the benchmark against which they are measured.

In that change, effective on April 30, Goldcorp Inc. was removed and replaced by Potash Corp., one of the Toronto Stock Exchange's best-performing stocks over the past two years. Goldcorp was added to the JSI -- a socially screened, market capitalization-weighted common stock index that's home to 60 Canadian companies that all pass a set of broadly based environmental, social and governance (ESG) criteria -- in June, 2006. It was placed on Jantzi's monitor list in November, 2006. Now it has fallen off the perch because of "growing opposition" to its Marlin mine in Guatemala," to its "inadequate response" to the communities' health concerns associated with its operations in Honduras, and to its "poor environmental compliance record."

The Globe and Mail. Andy Hoffman. "Big deals not on Goldcorp's radar." May 21, 2008.

The comments followed a raucous annual general meeting that was dominated by protesters questioning the company's environmental and human rights record at its operations in Guatemala and Honduras.

Opponents to Goldcorp's Marlin mine in Guatemala and its San Martin mine in Honduras allege the operations are poisoning the local water supply with heavy metals and have caused health problems, including skin rashes, among residents.

The Globe and Mail. "Goldcorp says power cut affects Guatemala plant." July 5, 2008.

Goldcorp Inc. said yesterday that power lines to its Marlin mine in Guatemala have been tampered with resulting in periodic idling of the mill facility. The company said mining at the underground and open pit have been largely unaffected and ore continues to be stockpiled on site.

The Globe and Mail. Andy Hoffman. "Goldcorp bested by Mayan mother." July 10, 2008.

For nearly a month now, the company has been unable to operate the mine's mill, after Gregoria Perez intentionally damaged a power line on her property that supplies the company with electricity. When Goldcorp workers went to fix the power line, they were blocked by residents and anti-mining activists.

The power outage represents just the latest headache for an operation that has often been mired in controversy. A Mayan man was killed in 2005 in a protest blocking a road to the mine. Marlin is one of Goldcorp's largest and most profitable deposits and is expected to produce about 250,000 ounces of gold and four million ounces of silver per year during its life. But the mine has also garnered fierce opposition from a group of local residents assisted by NGOs. They claim the mine is contaminating water and that blasting is damaging nearby houses. They also allege the company used coercive tactics to win land rights from residents.

Breaking News from globeandmail.com. Andy Hoffman. "Canada's miners up in arms over foreign activities bill; Private member's Bill C-300 would deny taxpayer-funded export financing to firms that violate human rights, environmental standards." November 26, 2009.

Private member's Bill C-300 would deny taxpayer-funded export financing to firms that violate human rights, environmental standards

The allegations have been nothing less than sensational. Physical violence. Intimidation. Environmental devastation. Bribing government officials.

Critics of the mining sector paint a very different picture. Opponent groups have, for years, accused Goldcorp of causing environmental damage and human rights abuses at its mines in Honduras and Guatemala. Goldcorp has strongly denied the allegations.

The Toronto Star. Les Whittington. "Mining companies deny abuses; Unproven allegations causing undue harm to Canadian industry, spokesman says." November 27, 2009.

Years of allegations of human rights and other abuses against Canada's giant multinational mining corporations are the result of false claims by people opposed to their business, the mining industry is telling members of Parliament.

"Our industry is often confronted with false allegations of misconduct in countries in which we operate," said Dina Aloj, Goldcorp Inc.'s vice-president of corporate social responsibility.

CTV News. "W5: Searching for gold at the end of the Guatemalan rainbow." April 17, 2010.  
([http://www.ctv.ca/CTVNews/WFive/20100415/w5\\_paradise\\_lost\\_100415](http://www.ctv.ca/CTVNews/WFive/20100415/w5_paradise_lost_100415))

Reporter Paula Todd: In the end, Indigenous people with a profound connection to the earth are pitted against Canadian mining companies who, with government backing, are digging up the country for profit, with a promise to leave it better than they found it.

The Toronto Star. Malcolm Morrison. "European debt fears batter TSX." May 17 2010.

Goldcorp Inc. (TSX:G) said it has received a final human rights assessment report on its Marlin mine in Guatemala and will issue a response and action plan once it has reviewed the report. The International Labour Organization called in March for the suspension of mining activity at Marlin due to alleged human rights violations. Goldcorp shares were down 89 cents at \$46.25.

The Toronto Star. John Spears. "Goldcorp considers higher dividend." May 19 2010.

Jeannes was peppered with questions about Goldcorp's environmental and human rights record at its operations in Central America.

Carlos Amados came from Honduras to tell shareholders that residents near the San Martin mine in Honduras – which has now been closed – are suffering from skin problems and hair loss. He said some have high levels of arsenic and lead in their bodies.

Jeannes said the company is rehabilitating the mine site to the highest standards, planting grass and trees and setting up farm operations on the site.

Many health problems near San Martin and other operations pre-date the mines, he said. Residents in some areas of Latin America drink untreated water that has naturally occurring high levels of heavy metals.

He noted that the company has just received a human rights assessment by outside consultants on the impact of its Marlin mine in Guatemala. It recommended that Goldcorp cease all exploration and expansion activities at the mine until further consultations are held.

The Toronto Star. "Goldcorp contemplates boosting its dividend; An option for next year as gold price soars, cash flows into firm's coffers." May 20, 2010.

As about 30 activists protested the company's activities in Central America outside, Jeannes told Goldcorp's annual meeting Wednesday that increasing the dividend is only one option for the cash now starting to flow into its coffers.

Jeannes was peppered with questions about Goldcorp's environmental and human rights record at its operations in Central America.

Carlos Amados came from Honduras to tell shareholders that residents near the San Martin mine in Honduras - which has now been closed - are suffering from skin problems and hair loss. He said some have high levels of arsenic and lead in their bodies.

He noted that the company has just received a human rights assessment by outside consultants on the impact of its Marlin mine in Guatemala. It recommended that Goldcorp cease all exploration and expansion activities at the mine until further consultations are held.

Breaking News from globeandmail.com. Martin Mittelstaedt. "Goldcorp mine in Guatemala ordered to shut; Intergovernmental body cites human rights, environmental infractions." June 7, 2010.

Intergovernmental body cites human rights, environmental infractions

The Globe and Mail. Martin Mittelstaedt. "Goldcorp mine in Guatemala ordered to shut." June 8, 2010.

Goldcorp Inc.'s Marlin mine in Guatemala has been dealt an adverse ruling from the Inter-American Commission on Human Rights, which has called on the project to be shut pending an investigation into alleged human rights abuses and environmental problems.

The commission, part of the Washington-based Organization of American States, considers its rulings binding on member governments, although media reports in Guatemala say the country's president, Alvaro Colom, used one of his regular radio addresses to indicate he opposes closing the operation.

Maria-Isabel Rivero, commission press director, says the call to cease mining is obligatory on Guatemala and ensures that if the alleged environmental and human rights concerns are found to be valid, local conditions would not be worsened by continued activity over the year or two it would take to investigate the claims.

Under prodding from a shareholder proposal from Vancouver-based Northwest & Ethical Investments LP, Goldcorp commissioned its own assessment into conditions at the mine, which was also released last month and was critical of Guatemala's poor human rights climate. Among the problems detailed were the 2005 murder of a local resident by an off-duty mine guard and the killing the same year of a protester at a mine blockade by public security forces. None of the police or military officers involved in the protester killing have ever been prosecuted or disciplined, according to the report.

The commission says it is investigating allegations that the government issued the mining concessions and allowed mining to begin "without the prior, complete, free, and informed consultation" of local Mayan residents, among other claims.

The Toronto Star. Malcolm Morrison. "Bernanke calms TSX investors." June 8, 2010.

Goldcorp Inc. shares were down 47 cents at \$46.40 after the miner was ordered to close its Marlin mine in Guatemala by the Inter-American Commission on Human Rights. It has called for the project to be shut pending an investigation into alleged human rights abuses and environmental problems. Goldcorp hasn't had a formal indication from the government on how it will respond to the ruling, which was issued on May 20 and reportedly requires Guatemala to comply within 20 days.

The Globe and Mail. "Goldcorp says there's 'no basis' for closing Guatemalan mine amid allegations." June 24, 2010.

A Canadian company says there's "no basis" for closing its Marlin mine while the Guatemalan government conducts what it calls an "administrative process" to deal with allegations that the rights of local people have been violated.

Goldcorp Inc. of Vancouver (TSX:G) says the Guatemalan government agrees that studies by several of its ministries have found no evidence the mine has contaminated the water supply or caused disease.

But Guatemala has agreed to work with the Inter-American Commission on Human Rights, a Washington-based organization that has asked for operations at the mine to be suspended, the company announced Thursday.

The company, which currently employs about 1,900 people at the mine, has been under pressure for months by advocacy groups that say local communities weren't consulted properly when the mine was approved by the government.

Critics of the mine also say there's evidence of health problems among people living near the mine but the Washington-based rights watchdog is still investigating and hasn't drawn any conclusion about the validity of the claims.

The Toronto Star. "Goldcorp says there's 'no basis' for closing Guatemalan mine amid allegations." June 24, 2010.

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National Post's Financial Post & FP Investing. Peter Koven. "Guatemala may suspend Goldcorp mine." June 25, 2010.

Goldcorp Inc. has faced major opposition to its Marlin mine in Guatemala, a project that some locals argue has contaminated their water supply. Now, the odds of a shutdown are growing.

The company reported Wednesday that the Guatemalan government has complied with a request to begin an "administrative process" to deal with the complaints. It could result in the mine being suspended, even though the government has said that there is no evidence of any ill health effects from the project.

BMO Capital Markets analyst David Haughton wrote in a note that the risk of an outright suspension at Marlin is now higher...