

KINROSS



2009 CORPORATE RESPONSIBILITY REPORT

TAKING RESPONSIBILITY

TAKING RESPONSIBILITY

Kinross Gold Corporation is a Canadian-based gold mining company with mines and projects in the United States, Brazil, Chile, Ecuador, Russia and Canada employing approximately 5,500 people worldwide.

Kinross' strategic focus is to maximize net asset value and cash flow per share through a Four-Point Plan built on: delivering mine and financial performance; attracting and retaining the best people in the industry; achieving operating excellence through the Kinross Way; and delivering future value through profitable growth opportunities.

Kinross maintains listings on the Toronto Stock Exchange (symbol: K) and the New York Stock Exchange (symbol: KGC).

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All dollar amounts included in this Report are in U.S. dollars unless otherwise specified.



MESSAGE TO STAKEHOLDERS

A great deal has happened at Kinross since we published our first Corporate Responsibility Report in 2008.

With the start-ups at Kupol in Russia, Kettle River-Buckhorn in Washington State, the Paracatu expansion in Brazil and the Fort Knox project in Alaska, we joined the ranks of the world's two million-plus ounce gold producers. We entered into a new country with our acquisition of the Fruta del Norte project in Ecuador, and expanded our position in Chile with the acquisition of Lobo-Marte. During the first half of 2010, we extended our horizons further, announcing the acquisitions of the Dvoynoye deposit and Vodorazdelnaya property in Russia, Underworld Resources in Canada and a 9.4% interest in Red Back Mining, which operates in West Africa.

The world has changed as well since our last report. Economic and environmental crises have focused stakeholder scrutiny on companies in every corner of the globe. Communities, governments, non-governmental organizations (NGOs), investors and the media increasingly demand that corporations demonstrate their commitment to a growing array of regulations, standards and voluntary principles. This is particularly true for companies in the extractive sector.

For Kinross, these changes have deepened our conviction that corporate responsibility is absolutely core to our business strategy. Preserving and extending our commitment to responsible

mining directly impacts our business in critical areas – in maintaining our social license to operate with host communities, in accessing and permitting new deposits with host governments, and in attracting investment from an equity market increasingly sensitive to the risk factors associated with environmental and social performance.

That is why our commitment to corporate responsibility underpins the values, principles, and strategic objectives which together comprise what we call the Kinross Way.

Corporate responsibility is explicit in our core purpose – to lead the world in generating value through responsible mining – and in the four values that guide our conduct: putting people first; outstanding corporate citizenship; high performance culture; and rigorous financial discipline. Our Ten Guiding Principles for Corporate Responsibility provide a set of clear, non-negotiable standards defining our relationships with employees, partners, governments and the communities affected by our operations. Kinross' Four-Point Plan, an operational road map renewed each year, includes specific performance objectives related to corporate responsibility and directly linked to management compensation.



> Tye W. Burt, President and CEO

Today, we are building on the progress we have made in embedding these principles in our organization. Since our last report, we have taken significant steps to strengthen our management framework and processes to further ensure our performance as a responsible miner.

At the Board level, we expanded the mandate of the Environment, Health and Safety Committee, now renamed the Corporate Responsibility Committee, to reflect the strategic importance of corporate responsibility to Kinross' business.

We created an External Relations and Corporate Responsibility strategic operating group and appointed a Vice-President, Corporate Responsibility, in a new, dedicated role to oversee and drive corporate responsibility efforts across the Company.

MESSAGE TO STAKEHOLDERS

We also launched a new corporate responsibility strategy that provides a blueprint for how we will deliver on our commitment to responsible mining. It expands our robust environmental, health and safety management system to include a systematic approach to implementing and measuring the effectiveness of our community initiatives and stakeholder engagement. The strategy also introduces enhanced site-specific Site Responsibility Plans that set out on an annual basis how each mine will 'operationalize' the Kinross Way. We further underscored our commitment to corporate responsibility early in 2010 by becoming a signatory to the United Nations Global Compact.

In 2009, we instituted the "Living Our Values Awards" to recognize and celebrate employees whose actions demonstrate the four values that are the foundation of the Kinross Way. The awards have become a key annual event for Kinross, with over 200 nominations submitted by employees in the first year, and over 800 nominations in 2010 – a testament to the universal resonance of our values in every country and culture where we work.

For Kinross, our success in corporate responsibility – as in other areas – is ultimately judged by our performance on the ground. I am proud of our record in 2008 and 2009, which reflects the dedication and hard work of Kinross employees around the world. Highlights include:

- Achieved a lost-time injury frequency rate of 0.18 per 200,000 hours in 2009, a 74% reduction over a rate of 0.69 in 2008;



- Successfully managed air and water quality issues, and received no material fines related to environmental performance;
- Completed International Cyanide Management Code certification at all but one mine (certification at our remaining mine, La Coipa, is scheduled to commence in 2010);
- Completed a Company-wide review of air emissions indicating that air emissions across Kinross are well below regulatory limits and represent best management practice;
- Maintained active stakeholder consultation groups with neighbouring communities, and held periodic stakeholder meetings at most operations, effectively addressing community priorities and concerns;
- Supported a wide range of community development and capacity-building programs and partnerships across our operations;
- Introduced a Donations and Sponsorship Policy, reaffirming our three strategic focus areas of health, environment and education;
- Developed a comprehensive training program for security teams in line with the Voluntary Principles on Security and Human Rights, for implementation in 2010;
- Participated in major third-party case studies of corporate responsibility at our operations in Chile and Brazil;
- Received numerous regional awards for corporate responsibility, including the "Medal of Honour in Social Development" from Brazil's Instituto Ambiental Biosfera, the International Vitus Bering Award from the Russian Association of Indigenous Peoples of the North, Siberia and Far East, and the U.S. Bureau of Land Management's Hardrock Mineral Environmental Award; and
- Listed among Canada's 50 Most Socially Responsible Corporations in a 2009 report by *Maclean's* magazine and Jantzi Research.

Sadly, these achievements were shaded by one employee fatality in 2008 and two employee fatalities in 2009 related to Kinross' operations. We took immediate action to analyze the root causes that led to these accidents and put further safeguards in place. Any death on the job is one too many. Any serious accident serves as a tragic reminder to employees and contractors at all of our sites that safety is everyone's responsibility, which requires a vigilant and relentless commitment every hour of every day.

MESSAGE TO STAKEHOLDERS

FUTURE CHALLENGES

Going forward, we recognize that we face a number of challenges as our operations and our responsibilities grow. We will continue to focus our attention on:

- Continuous improvement in safety performance to reduce our injury rate, aggressively working towards a rate of zero across our operations;
- Attracting, retaining and developing employees, particularly in countries where a skilled mining labour pool needs to be developed;
- Managing the implementation of our corporate responsibility strategy across multiple operations in a variety of cultural settings;
- Successfully integrating new acquisitions into our culture of corporate responsibility and corresponding management framework;

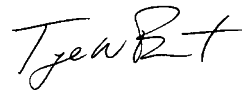
- Engaging communities at new and developing projects and existing operations to secure and maintain broad community support for our activities;
- Continuing to be a leader in environmental management and protection, including mine reclamation and closure;
- Assisting community stakeholders at maturing operations in making the transition from a local economy incorporating active mining operations to a later post-closure reality; and
- Continuing to engage with our workforce to firmly embed and develop the culture articulated by our values.

I am confident that we have the right team and the right strategy in place to respond effectively to these challenges.

I would like to acknowledge our employees around the world, who every day meet the challenge of mining safely and responsibly. For many of them, who live in the places where we operate, that commitment to responsible mining is also a commitment to the future of their own communities.

I would also like to acknowledge the contributions of the Corporate Responsibility Committee of our Board, which has overseen and encouraged the evolution of corporate responsibility at Kinross.

We hope that this report on our 2008 and 2009 corporate responsibility performance provides useful information and insight for all of our stakeholders, and we look forward to your feedback.



Tye W. Burt

President and CEO

Kinross Gold Corporation



OUR APPROACH TO REPORTING

ABOUT THIS REPORT

This is Kinross' second Company-wide corporate responsibility (CR) report and our first that is web-based. Our goal is to provide a balanced and comprehensive view of Kinross' performance across our global operations in key areas of socio-economic, health and safety, and environmental responsibility.

Our CR report includes the 2009 Corporate Responsibility Report and the 2009 Data Tables. We have reported on the Global Reporting Initiative (GRI) G3 performance indicators that are most relevant to our business and have attempted to address the environmental, social and economic issues of interest to our wide range of stakeholders. We have also included broad corporate performance targets for key areas including the workplace, community, health and safety, and the environment. We intend to report on our progress in achieving these targets in future reports.

REPORT SCOPE AND BOUNDARY

Performance information is reported for the fiscal years ended December 31, 2008 and December 31, 2009. Where available, we include data for previous years and performance trends and initiatives for early 2010. We have reported on operations and growth projects where Kinross held a 50% or greater ownership position and for our operations and joint ventures where Kinross was the operating partner responsible for management and operational performance for a majority of 2008 and 2009. Unless otherwise indicated, data are reported based on Kinross' 75% ownership position in our

Kupol operation and 50% ownership positions in Crixás and Round Mountain. While Kinross is the non-operating partner at Crixás, we have included detailed performance data for this mine for the first time, including safety statistics.¹ Data have been reported for sites that transitioned from growth project to operation during 2008 and 2009, including Kupol, Kettle River-Buckhorn and the Paracatu expansion project. Data have not been reported for our reclamation sites, located in the United States. We believe this approach provides a thorough account of Kinross' environmental, social and economic performance for the two years covered in this report.

The following changes in ownership occurred since we issued our first report on the year ended December 31, 2007:

- **La Coipa:** On December 21, 2007, Kinross increased its ownership of the La Coipa mine from 50% to 100% and assumed operational responsibility for the mine. We began incorporating data for La Coipa in our Regional Data Tables in 2008. This is the first Kinross corporate responsibility report in which we are including detailed performance data for this site;

- **Julietta:** We completed the sale of our Julietta mine in Russia in August 2008. Performance information and data for Julietta have not been included in this report;
- **Fruta del Norte:** In September 2008, Kinross acquired a 100% interest in Aurelian Resources, owner of the Fruta del Norte project in southeastern Ecuador;
- **Lobo-Marte:** In December 2008, Kinross acquired a 40% interest in Minera Santa Rosa SCM, owner of the Lobo-Marte project and, in January 2009, we completed the acquisition of 100% of the project;
- **Cerro Casale:** In February 2010, Kinross announced the sale to Barrick Gold Corporation of 50% of Kinross' interest in this development project. Upon closing of the sale on March 31, 2010, Kinross' interest was reduced to 25%. Performance for Cerro Casale is not reported.

As a result of ongoing efforts to improve reporting, some minor changes to previously reported data have been made. These are largely the result of improved reporting from the operating sites, as well as the implementation of standardized reporting protocols. The changes have no material impact on reported performance characterization.

¹ Note that safety data appearing in Kinross' 2009 Annual Report do not include Crixás.

OUR APPROACH TO REPORTING

Data were collected from a variety of source documents and records at each Kinross operation. Data were compiled and reviewed for accuracy as part of our internal quality assurance process prior to publication. As our corporate reporting program evolves, we will also review the merits of third-party verification of other data in our reports.

REPORTING CYCLE

Kinross publishes a comprehensive corporate responsibility report every two years. Our last comprehensive report was published in 2008, covering the 2007 fiscal year. Kinross also provides an annual update on its corporate responsibility activities in its annual reports. In keeping with our commitment to transparency, we also publish data tables annually, which include performance data for Kinross across a range of GRI indicators. The data tables provide detailed data for each operating site, are available on our web site and should be considered an integral part of our corporate responsibility reporting. We will publish our next comprehensive report in 2012.

REPORT CONTENT AND MATERIALITY

This report incorporates information about our approach to corporate responsibility and performance in areas that Kinross and its stakeholders consider material or significant.

We have focused most extensively on areas of primary interest or relevance to:

- Our employees, such as workplace safety;
- Our community stakeholders, as expressed in community stakeholder meetings and other public and private discussions;
- Our investors and shareholders; and
- Local, regional and national governments and regulators in the jurisdictions where we work.

We have also considered environmental and social issues of broad public interest, issues raised in the media or other public forums and issues of particular interest to the global mining industry.

The assessments and analysis of senior managers and employees who have front-line responsibility in key areas of corporate responsibility have helped to refine the prioritization and relative weighting of the issues covered in this report. In this regard, we have also been guided by our Ten Guiding Principles for Corporate Responsibility and by various external standards such as the UN Global Compact Principles, the Voluntary Principles on Security and Human Rights, and the Global Reporting Initiative.

To that end, we have reported on all G3 core indicators, on the Mining and Metals Sector Supplement, and on a number of G3 additional indicators to the extent that they are material to Kinross. Key performance indicators are reported on a Company-wide basis, a country and regional basis and by operating site. Kinross reviewed the merits of third-party assurance in 2009 and elected to pursue a GRI check of this report. We are reporting to a GRI Report Application Level A. Our GRI Content Index, including the location of Standard



Disclosures, is available at <http://takingresponsibility2009.kinross.com>.

Throughout this report, the terms “Kinross” and the “Company” refer to Kinross Gold Corporation and/or its subsidiaries and affiliates.

If you require more information on this report, please contact:

Ed Opitz

Vice-President, Corporate Responsibility
Kinross Gold Corporation
Ed.Opitz@kinross.com
416 -369-6476



MANAGING CORPORATE RESPONSIBILITY

OUR CORPORATE RESPONSIBILITY VISION

Kinross understands that we have both an ethical and a business imperative to be a good neighbour, not only in the communities where we operate, but also in responding to global challenges – such as protecting the environment – that cross all borders and affect people everywhere.

Our objective to be a good neighbour is a fundamental aspect of Kinross' core purpose, which is to lead the world in generating value through responsible mining. We believe strongly that profitability and corporate responsibility are not mutually exclusive, but rather are mutually reinforcing. Only by thriving as a profitable and successful business can we generate the returns that support sustainable benefits for our employees, suppliers and communities, as well as for our shareholders.

To leverage the returns generated by our operations requires engaged cooperation between Kinross, the host government(s) and the public stakeholders in the communities where we operate. Our objective is to develop a solid long-term relationship with community stakeholders

based on trust, respect, and partnership, and to ensure we leave a positive “benefit footprint” wherever we operate. That relationship – often referred to as “the social license to operate” – is critical to our core business of exploration, permitting, building, operating, and the eventual closing and reclaiming of mining operations.

Corporate responsibility is a core element of the Kinross Way, the statement of beliefs that guide our global operations. The Kinross Way is founded on four key values: putting people first; outstanding corporate citizenship; high performance culture; and rigorous financial discipline. By enshrining outstanding corporate citizenship as one of these values, we have highlighted it as a key priority for our employees and business partners worldwide.

In 2008 and 2009, Kinross undertook several major initiatives to reinforce its commitment to leadership in corporate responsibility:

- The reconstitution of the Environment, Health and Safety Committee of the Board of Directors as the Corporate Responsibility Committee, with an expanded mandate;
- The development and launch of a new Company-wide CR strategy;
- A corporate reorganization that significantly enhances the Company's focus on CR, and the appointment of a dedicated Vice-President, Corporate Responsibility.

MANAGING CORPORATE RESPONSIBILITY

OUR STRATEGY

In 2009, Kinross launched a Corporate Responsibility Strategy to provide an improved framework for the corporate and country-specific initiatives the Company has undertaken, and more fundamentally, to help ensure that our behaviour on the ground consistently reflects our Ten Guiding Principles for Corporate Responsibility.

We had a strong foundation from which to build:

- A history of solid, on-the-ground performance at our mine sites and reclamation properties;
- Our [Code of Business Conduct and Ethics](#), which enshrines the principles of fairness, non-discrimination and ethical conduct throughout the Company and sets the standards for suppliers and contractors;
- Our [Ten Guiding Principles for Corporate Responsibility](#), introduced in 2007, which provide a clearly articulated standard for defining our working relationships with our stakeholders;
- Our [Environmental Policy](#) and [Health and Safety Policy](#);
- A Company-wide [EHS Management System](#) that includes targets and performance benchmarks as well as processes for measurement, accountability and continuous improvement; and
- Biennial Corporate Responsibility Reporting to provide our stakeholders with what we believe is a balanced, comprehensive and transparent account of our activities.

The CR Strategy expands on these initiatives to provide an enhanced Policy Framework, a Company-wide Corporate Responsibility Management System and site-specific Site Responsibility Plans which, together, are helping us deliver consistent results aligned with the Kinross Way.

KEY RISKS, IMPACTS AND OPPORTUNITIES

The nature of our global operations creates both opportunities and risks. Our operations provide significant local employment and economic benefits. They are large users of water and energy resources and can have potentially significant environmental impact if they are not designed and managed well.

The Company has focused attention on these issues by setting high performance standards, allocating the necessary resources, assigning responsibility and accountability for their management, and routinely reviewing performance, improvement opportunities and risk. Kinross collaborates with affected communities to advance sustainable development during the life of our operations.

While we strive to design and manage our operations to minimize our environmental impact, some impact is inevitable due to the nature of mining. Environmental programs are in place at each operation to ensure that such impacts are controlled and mitigated, including routine inspections, independent assessments, risk assessments and emergency preparedness. Upon mine closure, Kinross systematically reclaims land affected by mining for productive post-mining uses, thereby minimizing the long-term environmental impact of mining. Water and energy management programs are in place or under

development at all of our operations. These programs include predictive water balance models, continuous improvement programs, and performance monitoring systems. For our Maricunga and La Coipa operations, both located in water-sensitive regions, we systematically track and monitor risks associated with water quantity, title to water rights, access to water usage permits, cost and the impact to local communities.

To minimize the likelihood of unexpected events affecting performance, we take a comprehensive approach to risk management. The Audit and Risk Committee of the Board of Directors reviews the principal risks affecting Kinross' business on a quarterly basis. As a key part of each site's business management plan, site risks are reviewed and reported on monthly and progress is tracked. In every country where Kinross operates, we also conduct annual risk management workshops, which bring together corporate and local leaders, and in many cases outside experts, to analyze and rank operational, economic, political, environmental and social trends and risks, including human rights and security risks, that could affect current performance or future plans.

Specific risk factors are outlined in the Company's [Annual Information Form](#). The Company's submission to the [Carbon Disclosure Project](#) addresses the question of potential risks related to climate change.

MANAGING CORPORATE RESPONSIBILITY

DEVELOPING A CORPORATE RESPONSIBILITY STRATEGY: THE KINROSS WAY

The development of our new Corporate Responsibility Strategy in 2008 coincided with a period of significant growth at Kinross as we brought three major new projects into production, while launching our next growth phase with the acquisition of two new development projects, including a major investment in a new country, Ecuador.

This expansion presented Kinross with both an opportunity, and an obligation, to build on our solid track record in corporate responsibility by strengthening our global framework of policies, management systems and practices.

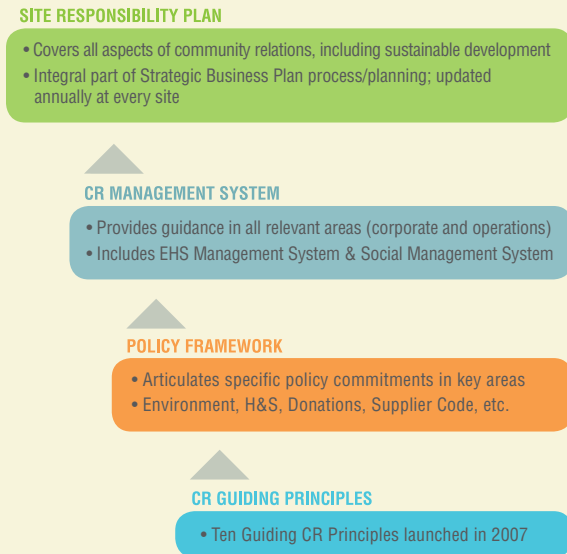
Our aim is to establish Kinross as a leader in corporate responsibility, recognizing the critical importance of corporate responsibility both in maintaining our social license to operate and in gaining access to and developing quality new mineral deposits around the world.



The strategy is based on:

- integrating corporate responsibility into business strategy at each stage of the mine life cycle;
- a strong focus on two-way stakeholder engagement and partnerships; and
- a systematic and structured approach to managing and measuring corporate responsibility performance across the Company.

The strategy builds on Kinross' Ten Guiding Principles by establishing: a policy framework to articulate our commitments in specific areas; a CR Management System that expands our existing EHS Management System to include a Social Management System; and Site Responsibility Plans for each location focusing on stakeholder engagement, community investment and other commitments.



"OPERATIONALIZE" THE KINROSS WAY

We believe our new strategy provides a comprehensive framework to ensure consistent performance and accountability across our operations, and helps to entrench corporate responsibility as a fundamental aspect of the Kinross Way of doing business at each stage of the mining cycle.

Also, we hope that our strategy will help us to build increasingly meaningful and productive relationships with all of our stakeholders. We look forward to receiving feedback from those stakeholders on how the new strategy is working and suggestions on how we can improve our performance going forward.

James Crossland

Executive Vice-President, External Relations and Corporate Responsibility
Kinross Gold Corporation

MANAGING CORPORATE RESPONSIBILITY

KINROSS' GUIDING PRINCIPLES

To complement Kinross' [Ten Guiding Principles for Corporate Responsibility](#) and [Four Values](#), in January 2010 we became a signatory to the [United Nations Global Compact](#) (UNGC), a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labour, environment and anti-corruption. Kinross will issue its first Report on Progress measured against the UNGC principles in 2011.

POLICY FRAMEWORK

Kinross' policy framework articulates our policy commitments in key areas including health and safety, and the environment. We also strengthened our Code of Business Conduct and Ethics and the amendments were approved in early 2010. In 2010, as part of our Corporate Responsibility Strategy, we are reviewing our policy framework and management guidance regarding specific areas including indigenous peoples, supplier conduct, biodiversity, water usage and climate change. Kinross is committed to the protection of human rights in the workplace and the community, in accordance with the Universal Declaration of Human Rights, and supports the UN Voluntary Principles on Security and Human Rights.

Our [Environmental Policy](#), [Health and Safety Policy](#) and [Code of Business Conduct and Ethics](#) are all available on our web site.

CORPORATE RESPONSIBILITY MANAGEMENT SYSTEM

With operations and projects in six countries, it is important that we have a method of communicating our expectations and measuring our performance. For that reason, we have implemented a Company-wide Corporate Responsibility Management System.

Our Environmental, Health and Safety (EHS) Management System is modelled on ISO 14001, OHSAS 18001 and other internationally accepted standards. It provides a foundation of policies and guidance to protect the environment and worker health and safety, and to drive continuous improvement wherever we work. Through it, we set targets and performance standards that our operations worldwide are expected to meet. In 2010, we are expanding this EHS Management System to provide additional direction in certain areas, for example, air emissions control. We are also developing a complementary social management system for roll-out in late 2010 and early 2011. The new Corporate Responsibility Management System will provide the same rigour to areas of social performance that we have established in environment, health and safety. Our operators around the world will be guided, and their performance will be measured, by standards, guidelines and benchmarks in areas such as stakeholder engagement, community investment strategies, community grievance procedures and social impact assessments.

BENCHMARKS FOR ACCOUNTABILITY AT KINROSS

- Managers at our exploration, development, operating mines and reclamation sites are accountable to senior corporate management monthly and the Board's Corporate Responsibility Committee quarterly
- CR performance improvement targets are set annually as part of the Four-Point Plan, through processes established in our EHS Management System and our enhanced Site Responsibility Plans
- A portion of incentive compensation is determined by the Company's overall safety and environmental performance, and for achievement of individual corporate responsibility goals where applicable
- Safety and environmental protection are the responsibility of every employee.



MANAGING CORPORATE RESPONSIBILITY

SITE RESPONSIBILITY PLANS

The success of our CR strategy will be measured by how we perform across our global operations. To meet the objectives of our strategy, a site-specific approach is required at each of our mine operations. The Site Responsibility Plan (SRP) includes four elements:

- **Engagement:** An ongoing dialogue with stakeholders in the communities where we operate, maintained in a spirit of transparency and honesty;
- **Evaluation:** Analysis of engagement feedback, community aspirations and resources, project impacts, systematic analysis of socio-economic data and other information to inform our project designs and community development strategies;
- **Action:** Strategic initiatives based on the results of engaged evaluation of stakeholder interests and concerns, designed to consolidate sustainable benefits within the communities where we operate and generate project support;



> The Site Responsibility Plan framework provides a common Kinross Way for managing corporate responsibility at the site level.

- **Monitoring:** Regular, quantitative and qualitative measurement of the effectiveness of our corporate responsibility initiatives, to inform further engagement, evaluation and action.

The majority of our operations and projects have already developed many of the elements of the SRP. Our objective in 2010 is to assess the current status of each site’s community outreach activities in line with the overall strategic business plan of the operation. Sites will establish a baseline for assessment and stakeholder

perception and a plan to fully implement best-practice community outreach programs. Launched over two key phases, all sites are required to complete the first phase with the submission of a first SRP in June 2010. Our goal is to complete implementation of the SRPs by the end of 2011.

The common standards required of SRPs include:

- The establishment of a standing community advisory group;
- The performance of regular stakeholder perception surveys or other feedback processes;
- An evaluation of the social impact of their community activities against such criteria as community well-being, community capacity building and sustainable community economics;
- A quantification of their “benefit footprint” based on a two-tier analysis of the local benefits and how much of that local benefit is sustainable beyond our mining activities.



MANAGING CORPORATE RESPONSIBILITY

Case Study

ENGAGING STAKEHOLDERS AT PARACATU

Community engagement is a cornerstone of Kinross' commitment to responsible mining.

With the expansion of our Paracatu mine, we continued to work closely with the community, engaging our stakeholders on a broad range of issues. In 2008, we established a Stakeholder Committee, with representatives from neighbouring communities, the Paracatu Residents' Association and local government. The committee meets monthly to discuss issues and make recommendations in key areas, including environmental monitoring and social and environmental initiatives. It provides important input into the operation's decision-making process. For example, in June 2009, it was instrumental in helping us develop an action plan to address neighbours' concerns about the impacts of increased blasting at our mine operations.



We also created a 24-hour hotline, called Open Channel, to receive and register community complaints, concerns and suggestions and to provide feedback within 24 hours.

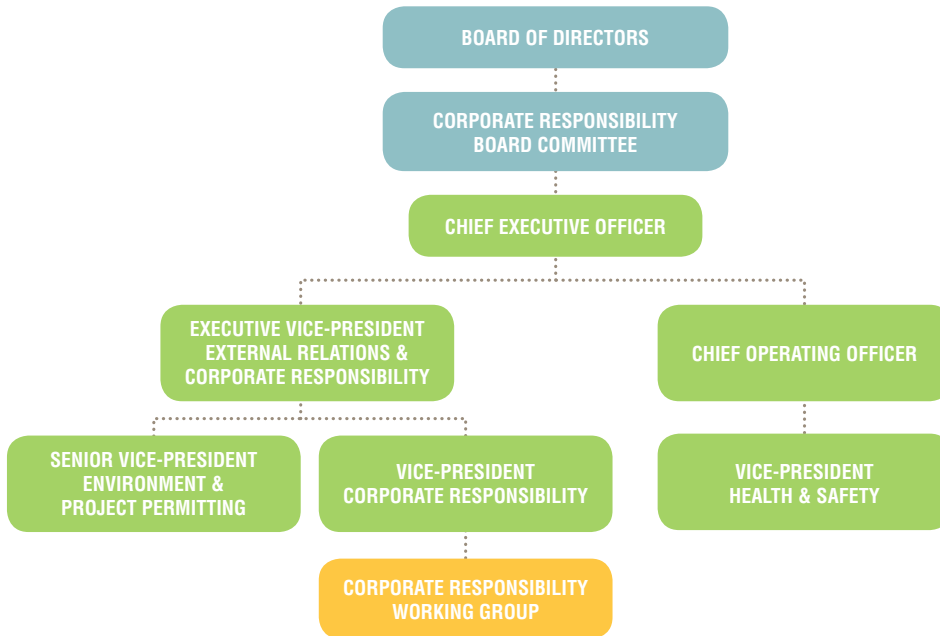
As illustrated in the following table, engagement activities at Paracatu are tracked and annual goals set:

	2008	2009	2010 Target
Visitors	2,732	2,585	2,700
Consultation meetings	40	89	50
Stakeholder Committee meetings	3	15	12

MANAGING CORPORATE RESPONSIBILITY

GOVERNANCE AND ORGANIZATIONAL STRUCTURE

The implementation of our new strategy demands the investment of every employee. To help focus our work, Kinross has instituted an organizational structure that further strengthens our governance of corporate responsibility, acknowledging the crucial importance it plays in maintaining our social license to operate.



In 2009, the Board’s Environment, Health and Safety Committee was renamed the Corporate Responsibility Committee, with an expanded mandate. We created a corporate External Relations and Corporate Responsibility Group, with an Executive Vice-President, External Relations and Corporate Responsibility (ER/CR) reporting to our CEO, plus the newly

established position of Vice-President, Corporate Responsibility. The ER/CR Group oversees corporate responsibility (including environment), community relations and project permitting, each a strategic priority for the Company. The composition of the group, which also includes government relations and corporate communications, reinforces

collaboration among the key functions associated with corporate responsibility, permitting and external relations.

In 2009, we also created a new position of Vice-President, Health and Safety reporting directly to the Chief Operating Officer.

BOARD OF DIRECTORS CORPORATE RESPONSIBILITY COMMITTEE



John K. Carrington
Corporate Director



John A. Keyes
Corporate Director
Chair, CR Committee



Catherine McLeod-Seltzer
Independent Chairman,
Pacific Rim Mining Corporation



Terence C. W. Reid
Corporate Director

MANAGING CORPORATE RESPONSIBILITY

To support the development of the CR strategy, a Corporate Responsibility Steering Committee, which includes representatives from the Senior Leadership Team (SLT), led the approval of key elements of strategy development and liaised with the full SLT and Board. The Committee is supported by a cross-functional Working Group made up of regional and corporate representatives, which developed key elements of the strategy. The Working Group also drafts and reviews CR policies and contributes to other elements of CR strategy implementation.

MEASURING PERFORMANCE

We demand a high level of accountability for corporate responsibility performance across the Company. We have rigorous systems in place that provide our sites with guidance and annual site-specific targets, and require the effort and commitment of each of our employees.

At Kinross, we measure our CR performance in three comprehensive ways:

- **Lagging Indicators:** Our mandate is to meet and, where possible, exceed environmental, health and safety regulatory requirements at all of our operations, exploration sites and closure properties. Failure to meet regulatory requirements is measured by lagging indicators and enforcement actions, such as notices of violation, regulatory notices, major releases and permit exceedances. Over the next two years, we plan to develop lagging indicators for social performance.



- **Leading Indicators:** We also measure leading indicators of performance, including internal inspections and employee training in environmental, health and safety matters. These leading indicators provide us with a proactive look at the management programs in place that will prevent releases, permit excursions, enforcement actions and keep our workforce safe. We are planning to develop leading indicators for social performance over the next two years.
- **Site Audits:** We assess our performance against the standards and expectations outlined in our CR Management System through a comprehensive internal auditing program, which systematically measures our success and identifies opportunities for improvement. As part of the audit program, we conduct a comprehensive EHS compliance and management system audit at each site every two years. These audits play a

critical role in assessing our performance against our EHS Management System. The audit protocol reviews the site's compliance with EHS regulatory requirements in the relevant jurisdiction, best management practices and our EHS Management System. While the internal CR audit program has focused on environmental, health and safety performance, the audit protocols are being expanded to measure performance against our CR Management System and formal standards and guidance for social performance.

We also track our performance by way of internal perceptions, through our regular employee surveys, as well as external rankings for corporate responsibility and governance, and our inclusion in socially responsible investor indices. As part of our Site Responsibility Plans, we plan to track community perceptions systematically through stakeholder surveys or other formal or informal feedback mechanisms, as appropriate.

MANAGING CORPORATE RESPONSIBILITY

VOLUNTARY COMMITMENTS AND MEMBERSHIPS

Corporate

- Business for Social Responsibility
- Carbon Disclosure Project
- International Cyanide Management Code for the Manufacture, Transport and Use of Cyanide in the Production of Gold
- International Network for Acid Prevention
- United Nations Global Compact
- World Gold Council

Canada

- Canada Council for the Americas
- Mining Association of Canada
- Prospectors and Developers Association of Canada (e3 Plus)

United States

- Alaska Chamber of Commerce
- Alaska Miners Association
- Association of Washington Businesses
- Council of Alaska Producers
- Eastern Washington Workforce Development Council
- Fairbanks Chamber of Commerce
- National Mining Association
- Nevada Mining Association
- Okanogan Conservation District
- Resource Development Council
- The Economic Alliance – Okanogan
- The Northwest Mining Association
- Tri-County Economic Development District

Brazil

- Associação Mineira de Defesa do Ambiente
- Brazilian Association for Protection of Child and Youth Rights (ABRINQ)
- Brazil-Canada Chamber of Commerce
- Brazilian Mining Industry Technological Development Agency
- Brazilian Mining Institute (Instituto Brasileiro de Mineração)
- Commercial and Industrial Association of Paracatu
- Minas Gerais Association of Commerce – Mining Commission
- Minas Gerais State Industry Federation (FIEMG)
- Movimento Verde de Paracatu
- Sustainable Development Agency of Paracatu

Ecuador

- Canada-Ecuador Chamber of Commerce
- CERES (Ecuadorian Consortium for Social Responsibility)
- Council for Responsible Mining in Ecuador (CONMIN)
- Mining Chamber of Ecuador
- Mining Chamber of Zamora-Chinchipe

Chile

- Consejo Minero de Chile
- Corporación Pro Atacama (CORPROA)
- PROhumana Chile

Russia

- American Chamber of Commerce in Russia (Amcham)
- Canada Eurasia Russia Business Association (CERBA)
- Foreign Investment Advisory Council (FIAC)
- International Business Leaders' Forum (IBLF)
- International Council for Cooperation and Investment (ICCI)
- Mining Advisory Council
- Russian Gold Producers' Union (through Chukotka Mining and Geological Company)

MANAGING CORPORATE RESPONSIBILITY

AWARDS AND RECOGNITION

- Named among Canada's 50 Most Responsible Corporations by *Maclean's* magazine and Jantzi Research in 2008 and 2009
- Ranked 20th out of 157 Canadian companies in the *Globe and Mail* 2009 corporate governance survey, highest among senior gold producers
- Ranked 27th out of 180 Canadian companies in the *Globe and Mail* 2008 corporate governance survey, highest among senior gold producers

Health & Safety

- At Maricunga, received the 2009 Honourable Distinction Award in the Leading Company category from Chile's National Service of Geology and Mining
- At La Coipa, José Bugueño, who heads the Department of Risk Prevention, received the 2009 Distinguished Safety Professional Award from Chile's National Service of Geology and Mining
- Paracatu received an award for its Occupational Health Monitoring Program from *Proteção* magazine and the *Brazilian Yearbook for Health Protection* in 2008



Community

- Paracatu received the Medal of Honour in Social Development from the Insitituto Ambiental Biosfera (Brazilian Institute for the Environment)
- Received the International Vitus Bering Award in recognition of our contribution to socio-economic, cultural and institutional development of indigenous people in Russia's Far East region

Environment

- Received the 2009 Tileston Award at Fort Knox from the Alaska Conservation Alliance and the Resource Development Council
- Received the 2009 National Hardrock Mineral Environmental Award from the U.S. Bureau of Land Management
- Recognized by the Chilean government for Maricunga's contribution for the protection of the Ramsar Convention site at the Laguna del Negro Francisco National Park

MINING GOLD RESPONSIBLY

The chart below summarizes key corporate responsibility accountabilities at each stage in the mine life cycle.



EXPLORATION

Duration

- 3-5 years

Objective

- Prospecting to discover and confirm mineral reserves

Process

- Conduct geological survey/ geochemical sampling to locate and delineate ore deposits
- Conduct core drilling to determine ore grade and geologic characteristics
- Partner with junior gold companies/ exploration partners
- Begin collection of environmental and community baseline information

Responsibilities

- Apply Kinross EHS Management System and standards
- Ensure partners and contractors adhere to Kinross EHS standards
- Initiate public consultation and dialogue
- Initiate preliminary assessment of key community, environmental and human rights issues that may arise if a mine is developed



DEVELOPMENT

Duration

- 3-5 years

Objective

- Design and receive approval for mine construction and operation

Process

- Complete concept, pre-feasibility and feasibility studies
- Complete engineering design of optimal mining method (open-pit or underground) and mineral recovery process during project implementation
- Obtain necessary construction and operating approvals
- Obtain land and water rights

Responsibilities

- Develop EHS procedures for construction and operation
- Secure broad community support through informed consultation
- Complete collection of environmental and community baseline information
- Complete assessment of key community, environmental and human rights issues and incorporate management strategies as needed into project design and plan
- Assess availability of local talent pool and services
- Include closure considerations in project design



CONSTRUCTION

Duration

- 2-3 years

Objective

- Construct mining facilities in accordance with approvals, requirements and Kinross standards

Process

- Establish skilled construction team to execute development plan
- Construct mine and processing facilities and associated infrastructure, such as roads, power and water lines, and employee facilities

Responsibilities

- Train employees and contractors in safety, health and environmental practices, procedures and performance standards
- Train security personnel in human rights
- Maintain high EHS performance standards
- Establish advisory groups and grievance procedures to ensure ongoing transparent dialogue with the communities
- Identify and implement local employment and purchasing opportunities
- Develop plan for transition from construction to operation

MINING GOLD RESPONSIBLY



MINING

Duration

- 10-35 years (the average life of a gold mine)

Objective

- Operate a safe, environmentally sound, socially responsible, profitable, and efficient mining and processing operation

Process

- Drill and blast to access the ore
- Transport ore and country rock for processing or storage
- Concurrently reclaim disturbed land that is no longer needed for operations

Responsibilities

- Maintain best-in-class EHS performance by setting clear objectives, maintaining operating procedures, training, monitoring performance and continuous improvement
- Provide rewarding career opportunities and competitive compensation and benefits to employees
- Routinely assess risks and implement risk management measures
- Ensure compliance with International Cyanide Management Code
- Continuously improve energy efficiency and waste minimization
- Maintain ongoing open communication with local communities
- Support capacity building and social investment in the community
- Measure success of community outreach programs through periodic socio-economic studies and surveys
- Regularly update closure plans



PROCESSING

Duration

- 10-35 years (the average life of a gold mine)

Objective

- Operate a safe, environmentally sound, socially responsible, profitable, and efficient mining and processing operation

Process

- Mill by crushing and grinding ore and separating metals from rock through flotation or gravity concentration, followed by tank leaching with diluted cyanide solution (milling) or
- Place crushed ore on lined leach pad and dissolve gold with diluted cyanide solution (heap leach)
- Chemically recover gold from solution through electrowinning or precipitation
- Smelt precipitate and produce gold doré bars for shipping to a refinery
- Impound residue from ore processing in tailings area

Responsibilities

- Maintain best-in-class EHS performance by setting clear objectives, maintaining operating procedures, training, monitoring performance and continuous improvement
- Provide rewarding career opportunities and competitive compensation and benefits to employees
- Routinely assess risks and implement risk management measures
- Ensure compliance with International Cyanide Management Code
- Continuously improve energy efficiency and waste minimization
- Support capacity building and social investment in the community
- Regularly update closure plans



CLOSURE/RECLAMATION

Duration

- 5-20 years (typical time span)

Objective

- Close and reclaim mine facilities to achieve approved post-mining land use and maintain environmental quality
- Satisfactory completion and termination of permit obligations

Process

- Execute the approved closure and reclamation plan
- Conduct environmental monitoring to ensure reclamation success and environmental protection

Responsibilities

- Maintain best-in-class safety, health and environmental performance
- Assist workforce in transition to new employment opportunities
- Engage with community and other stakeholders regarding closure plans and activities
- Assist community in closure transition

ECONOMIC RESPONSIBILITY

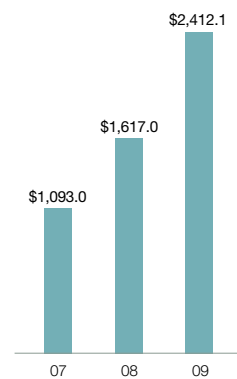
We are steadfast in our pursuit of superior business and financial performance. Rigorous financial discipline and outstanding corporate citizenship are enshrined in our four core values, and we believe they go hand-in-hand. By delivering on our strategy and commitments to our shareholders, we generate jobs and wealth in our host countries and are better able to support partnership initiatives that help to build and sustain strong communities.

Our financial highlights for the years 2008 and 2009 include the following:

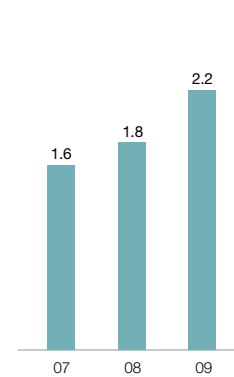
- Attributable¹ production of approximately 1.8 million gold equivalent ounces in 2008 and 2.24 million gold equivalent ounces in 2009, a two-year increase of 40% over 2007;
- Revenue of approximately \$1.6 billion in 2008 and \$2.4 billion in 2009, a two-year increase of 118% over 2007;
- Average attributable¹ margins of \$436 per ounce sold in 2008 and \$530 in 2009, a two-year increase of 61% over 2007;
- Adjusted operating cash flow² of \$634.6 million in 2008 and \$937.2 million in 2009, a two-year increase of 199% over 2007.

For a detailed account of Kinross' 2009 and 2008 financial performance, see our annual reports on www.kinross.com.

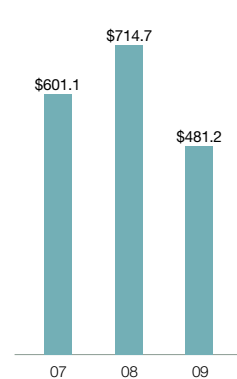
Revenue
(\$ millions)



Attributable Production¹
(million gold equivalent ounces)



Capital Expenditures
(\$ millions)



Adjusted Operating Cash Flow²
(\$ millions)



¹ "Attributable" only includes Kinross' share of Kupol production (75%)

² Adjusted operating cash flow is a non-GAAP measure. For a reconciliation of this non-GAAP measure, see our [2009 Annual Report](#) (pages 154 and 155).

ECONOMIC RESPONSIBILITY

DISTRIBUTING ECONOMIC VALUE

The direct economic value we generated for our stakeholders in the reporting period included the following:

- Cost of Sales:** Our cost of sales was \$1,047.1 million in 2009 and \$768.8 million in 2008, including labour, energy, consumables and maintenance costs, but excluding accretion, reclamation expenses, depreciation, depletion and amortization.
- Wages and Benefits:** We provided wages and benefits of \$302.2 million in 2009 and \$281.5 million in 2008.
- Shareholder Value:** As a measure of our strong financial and operating performance in recent years, and our commitment to providing superior returns for Kinross shareholders, we declared our first-ever common share dividend in February 2008. In 2009, we paid dividends of \$62.4 million to shareholders of record.
- Payments to Providers of Capital:** Our interest and dividends paid to providers of capital in 2009 amounted to \$92.6 million for the year compared to \$101.2 million in 2008.
- Payments to Governments:** We pay taxes and royalties in jurisdictions where we operate, including Canada, the United States, Brazil, Chile and the Russian Federation. In 2009, we paid \$298 million in income tax, mining tax, royalties and land use payments to various governments, compared to \$146.1 million in 2008.
- Direct Community Investments and Donations:** In 2009, Kinross contributed some \$3.9 million in direct economic value through donations and community investments to our communities in Canada, the United States, Chile, Brazil, Ecuador and Russia. In 2008, our contributions were \$2.2 million.
- Pension Plans:** The Company has several retirement plans covering employees in North America and South America.
- Government Financial Assistance:** Kinross does not receive significant financial aid from governments, apart from standard tax relief measures that are available to businesses in the jurisdictions where we operate.
- Local Recruitment:** Wherever feasible, we hire employees locally and provide supply contracts to local and regionally based businesses. We have been able to successfully recruit the majority of our mine site operations and management teams from local talent pools. Approximately 99% of our total workforce, excluding contractors, is hired locally from the host community, region, state, province or country.
- Direct and Indirect Economic Value:** Kinross' mining activities can help other economic sectors of society grow, particularly in remote regions and developing economies. In the Community section of this report, we discuss our community investment contributions in 2008 and 2009 – to schools, health care, local infrastructure, small business development, indigenous-related initiatives and other activities.



ECONOMIC RESPONSIBILITY

Economic Value Distributed and Retained Kinross Total

(millions \$)

	2009	2008
Direct Economic Value Generated	2,412.1	1,617.0
Economic Value Distributed		
Operating Costs ¹	881.4	606.3
Employee Wages and Benefits	302.2	281.5
Payments to Providers of Capital ²	92.6	101.2
Payments to Governments ³	298.0	146.1
Community Investments ⁴	3.9	2.2
Economic Value Retained	834.1	479.7

2009 Economic Value Distributed and Retained By Country

(millions \$)

	Direct Economic Value Generated	Operating Costs ¹	Employee Wages and Benefits	Payments to Providers of Capital ²	Payments to Governments ³	Community Investments ⁴	Economic Value Retained
Brazil	413.7	228.0	36.0	5.3	37.8	1.7	104.9
Chile	445.2	198.9	43.8	0.3	13.5	0.2	188.5
Russia	900.2	115.5	45.5	16.6	186.3	0.9	535.4
United States	653.0	186.1	121.7	N/A	52.7	0.3	292.3
Corporate and Other		152.9	55.2	70.4	7.7	0.8	(287.0)

1 For purposes of calculating economic value distributed and retained, operating costs exclude depreciation, depletion and amortization and impairment charges. Wages and benefits, community investments and payments to governments, other than income and mining taxes, normally form part of operating costs, but have been excluded as they appear on separate lines in the calculations.

2 Payments to providers of capital include dividends paid to Kinross shareholders and interest paid on long-term debt.

3 Payments to governments include income, mining and other taxes, certain royalties and land use payments.

4 Community investments include donations and investments in non-core infrastructure.

2009 Total Local ¹ Spending

(millions \$)

	Percentage of spending on goods and services that is local
United States ²	55%
Chile	97%
Russia	20%
Brazil	16%
Ecuador	38%
Total Kinross Operations	37%

1 Each Kinross site has defined "local" based on the geographic definition of "local" for their operation.

2 Excludes Round Mountain (data not available).

To learn about Kinross' contribution to community development in local communities, see [Community and Social Development](#).

Case Study

CONTRIBUTING TO ECONOMIC DEVELOPMENT IN RUSSIA

Our Kupol operations, which began production in 2008, are located in the remote Chukotka region of northeastern Russia, 200 kilometres from the nearest town. Development of the project has resulted in significant economic stimulus for the region.

In 2009, the direct economic value we distributed locally in Russia from our Kupol operations totalled some \$369.0 million, including wages, purchase of goods and services, taxes and charitable donations. Of this, approximately \$221.1 million was realized within the Chukotka region itself. This includes:

Wages and Benefits: In 2009, we paid approximately \$4.0 million to about 175 of our employees who were residents of Chukotka. At the end of 2009, 63 indigenous people were employed by Kupol and its major support contractors.

Purchase of Goods and Services: Wherever feasible, we provide supply contracts to local and regionally based businesses. In 2009, we spent \$55.9 million on fuel, contractors to provide road and aviation transport, and agricultural products, such as reindeer meat and fish, within Chukotka.

Taxes: In 2009, our activities generated \$134.9 million in taxes and payments in the Chukotka region. Our tax payments amounted to more than 30% of the total budget of the regional government.

Dividend Payment: The Government of Chukotka holds a 25% share in Kupol through the State Unitary Enterprise "Chukotsnab". Upon demonstrating to the project's international lenders that Kupol had completed the successful transition from construction to full economic operations, Kupol declared a special distribution to shareholders and, as a result, the Chukotka region received a dividend of \$23.3 million net of withholding tax in 2009, and a further \$6.4 million net of withholding tax in March 2010.

Elsewhere in Russia, our Kupol operations contributed another \$147.8 million, \$55.5 million of which was realized within the Magadan region, in wages, goods, services and taxes. The Magadan region remains an important area of operations for Kinross, even after the Company divested its assets there (the Kubaka and Julietta mines) in 2008. Not only are 80% of our Kupol employees residents of the Magadan region, but the doré from Kupol amounts to more than 85% of the total material that is processed by the Kolyma Refinery, a centrepiece of the Magadan regional economy.



Mining has been and continues to be a cornerstone of the economy in northeastern Russia, and the economic benefits generated by Kupol support that tradition. Looking to the future, Kinross and the Chukotka government are working together to develop mining-related professionals in Chukotka through education and training initiatives. Under a licence obtained in 2008 from the Department of Education in Chukotka, we have created training and education programs that build skills in mining and related industries. By the end of the year, Kinross had issued more than 700 certificates to 250 employees, including 12 indigenous residents of Chukotka, in 45 training programs. We know from our experience at Kubaka, which Kinross operated until January 2008, that our employees are in high demand at other mines throughout the Russian Federation.

Case Study

SUPPORTING COFFEE FARMERS IN ECUADOR

Kinross is committed to developing long-lasting benefits for the communities in which we operate. Our partnership with APEOSAE, an association of coffee farmers in the province of Zamora-Chinchiipe, including members who live near our Fruta del Norte project in south-eastern Ecuador, is one such example.

Since 2009, we have provided micro-loans, seed capital, technical assistance and infrastructure support to approximately 412 APEOSAE members and approximately 500 coffee farmers who produce organic and fair-trade coffee. APEOSAE is also receiving funding support from the Ecuadorian government through the Ministry for Social and Economic Inclusion.

In 2009, the association's production doubled to nearly 250,000 pounds as a result of export to new markets in the European Union. The increased return on investment, supported by the production of premium brands and the fair-trade mechanism, has raised the farmers' standard of living and quality of life. "We have seen that this works," says one APEOSAE member. "It will



help us leave a legacy for our children." Going forward, the association hopes to expand its production to include Rainforest Alliance coffee and its export markets to include Japan.

MEASURING OUR BENEFIT FOOTPRINT

Mining creates wealth in the communities where we operate. At a global level and by country, this is captured in our reporting of economic value generated, distributed and retained.

Locally, beginning in 2010, Kinross sites will take this evaluation to another level by tracking what we refer to as the "benefit footprint." This benefit footprint is a measure of the extent to which our operations contribute positively to the sustainability of local communities.

Measuring the benefit footprint begins with a geographic breakdown of our spending at the local, regional, national and international levels. This is then coupled with an assessment of the extent to which that spending is leveraged into long-term socio-economic development. Ultimately, we hope to see non-mining exports from the community increase over the life of the mine. Understanding our benefit footprint at each of our sites will better inform our strategies for community engagement, community investment, public-private partnerships and capacity-building.

ECONOMIC RESPONSIBILITY

CORPORATE DONATIONS AND SPONSORSHIPS

We invest in local infrastructure, sponsorships and educational partnerships as well as many other initiatives where we provide financial support, expertise and in-kind goods and services. In 2010, Kinross adopted a Corporate Donations and Sponsorship Policy, which identifies the following as key areas of focus in the communities where we operate:

- Health (including hospitals, children's health and public health);
- Environment (including sustainability and alternative energy programs);
- Education (including skills and vocational programs at the community level, and research and training programs relevant to the mining industry).

In addition, the Company considers contributions to non-profit organizations that undertake public policy research and/or promote initiatives aimed at advancing the cause of responsible mining and promoting international cooperation and development. The Company will also consider contributions to support entrepreneurialism and small businesses in the areas of strategic focus listed above.



CORPORATE DONATION HIGHLIGHTS

Kinross donated to over 100 charitable causes in 2009. In addition to the community investments and partnerships at the operations level, outlined in the In the Community section of this report, our corporate donation highlights for 2008 and 2009 include:

- Committed CDN \$500,000 over five years to support the Kinross Professorship in Mining and Sustainability in partnership with the Department of Mining Engineering at Queen's University in Kingston, Ontario, Canada;

ECONOMIC RESPONSIBILITY

The FORRÉ Network is an innovative research partnership between Kinross, the University of Guelph in Ontario, Canada, and universities and institutions in Brazil. Aimed at discovering new approaches to environmental sustainability and resource management, the FORRÉ Network provides opportunities for students, professors, researchers and the resource sector to work together towards a common goal. Various research initiatives, centred on sustainability in the resource sector, are supported by the network. Current examples of FORRÉ research projects and studies underway include:

- Predicting the effects of biodiversity losses due to global change in natural grasslands and forests;
- Predicting invasion of grassland and forests by exotic species;
- Best practices in community engagement in the Canadian and Brazilian mining sector; and
- Modelling natural forest expansion over grassland.

The FORRÉ Network's emphasis on multi-institutional and multi-disciplinary research creates rich learning opportunities for students and builds cooperative relationships among institutions.



- Donated CDN \$100,000 to Zerofootprint to support school nutrition programs in the Democratic Republic of the Congo;
- Provided financial support to the Daytrippers program for the sixth consecutive year, sending approximately 5,000 lower-income elementary children on environment-based educational school trips they otherwise would never have experienced; and
- Donated CDN \$240,000 to the Duke of Edinburgh's Award program, including \$50,000 as a founding partner. The program encourages youth to be active, to participate in new activities and pursue current interests in the areas of community service, personal skills development, physical recreation and adventurous journey.

In early 2010, in response to the earthquake in Chile, Kinross committed to provide CDN \$705,000 in humanitarian relief initiatives. To learn more, see [Chile Earthquake Response](#).

IN THE WORKPLACE

- Complete development and deployment of compensation structures aligned to local market practices in key regions;
- Continue strengthening performance management globally; and
- Deliver security and human rights training to security personnel and key management at all sites.

OUR PEOPLE STRATEGY

We took steps to strengthen our human resources strategy in the fall of 2009, aligning it with the Company's growth objectives and our goal to be the "employer of choice" in mining. We operate in highly competitive job markets, characterized by an aging workforce in North America and Russia and significant skills gaps in some of the countries in which we operate. Against this backdrop, and informed by the results of our third global employee survey, our strategy is aimed at:

- Attracting the talent we need to maintain our current operations and prepare for a 50% increase in employee numbers from 2014 onwards as new projects begin production;
- Developing employee expertise, including the necessary foundation skills for new employees through training partnerships and future career opportunities for our current employees through ongoing training and development;

LIVING OUR VALUES

In June 2009, Kinross celebrated the winners of our first-ever Living Our Values Awards. The awards honour employees who have gone above and beyond to demonstrate their commitment to our four values: putting people first; outstanding corporate citizenship; high performance culture; and rigorous financial discipline. More than 200 nominations were received from every site and office worldwide.

The awards have become an important annual event for Kinross employees, with over 800 nominations received in 2010. Kinross presented gold and silver awards for each value at a special ceremony hosted by President and CEO Tye Burt in Toronto, Canada.



- Engaging employees by developing leaders who model our values, support employee innovation and create an inspiring and collegial workplace culture; and
- Retaining employees through challenging development opportunities, organizational stability, a positive work environment and strong leadership.

As we roll out the strategy in 2010, we are concentrating our efforts on the needs of specific locations. At our Fruta del Norte development in Ecuador, for example, we expect a sharp increase in the need for skilled, local operators over the next three years in a country with little labour experience in mining. In Chile, our expansion initiatives, as well as the expected start-up of several competing projects in the near future, will strain the pool of trained workers. At our mines in these countries and others,

we are developing critical programs to facilitate the rapid integration of, and knowledge transfer to, new employees.

EMPLOYEE EDUCATION, TRAINING AND DEVELOPMENT

We provide a wide range of training, skills and career development opportunities that promote professional competency, personal growth and safety, culture-building initiatives and structured performance management evaluations. The performance of executive and senior management is evaluated, in part, on how well they attract, retain and develop talent in their respective teams and organizations.

Through our new strategy, we refined our critical focus areas and are developing programs to enhance our ability to attract, develop, engage and retain our expanding workforce.

IN THE WORKPLACE

Developing Our Leaders

In 2009, we provided 5,184 hours of leadership training to over 200 managers and supervisors. In 2010, we are introducing the second phase of our leadership training, focusing on leadership behaviour to hold ourselves and others accountable and “live the Kinross values.” We are also creating a new global curriculum to support the development of supervisor and management leadership practices and behaviours.

Our Generation Gold program recruits top-calibre university graduates by offering them a four-year employment commitment featuring diverse work assignments, mentoring and other professional development opportunities, including two international postings outside of the candidate’s home country.

Employee Training and Development

We provide a variety of global training programs and site-specific initiatives, usually in partnership with local institutions. We conduct mandatory safety and environmental training at all of our sites and risk competency training to continuously improve safety performance. Specific training programs at our sites include, at Round Mountain, an electrical apprenticeship program; at Kettle River-Buckhorn, a Job Skills Program, offered by the State of Washington and in partnership with community colleges; and at Kupol, some 45 training programs in mining and related industries, with more than 700 certificates issued to 250 employees by the end of 2009.

In 2010, as part of our strategy, we are undertaking a fresh needs assessment and creating an employee development strategy.

WORKPLACE DIVERSITY

With operations and development projects in six countries, Kinross employs a diverse workforce. Our Code of Business Conduct and Ethics prohibits any form of discrimination in hiring or contract tendering. While our goal is to hire the best employee for the job, the majority of our operations have established practices that encourage and promote the hiring of qualified local candidates, both at Kinross and in some cases, like Paracatu, among local suppliers. At the end of 2009, approximately 84% of our senior managers were local hires from the host community, region, state, province or country.

Currently, workforce data is maintained in a variety of systems globally. We have recently undertaken work to move to a global HR system, which will allow us to enhance our capabilities in reporting and analyzing global workforce data.



2008/2009 Employee Turnover (percent)



Voluntary employee turnover in 2009 decreased by over 40% compared to 2008.

2009 Local¹ Hiring (Director level and above)

Location	Total	Local	% Local
Canada	61	56	92
United States	35	35	100
Chile	28	24	86
Russia	22	13	59
Brazil	18	15	83
Ecuador	6	1	17
Total	170	144	84

¹ Represents from within the country

2009 Gender Diversity (Vice-President and above)

Location	Male	Female
Canada	26	5
United States	9	0
Chile	6	0
Russia	5	1
Brazil	3	0
Ecuador	2	0
Total	51	6

At the end of 2009, our Board of Directors was composed of eight males and one female and we employed 51 males and six females at the vice-president level or above.

COMPENSATION AND BENEFITS

Kinross' compensation programs are designed to meet five basic principles:

- **Pay for performance:** Employees are rewarded based on Company and individual performance;
- **Competitiveness:** We provide a compensation package which is competitive in the local market and enables the Company to attract and retain top talent;
- **Consistency and fairness:** Our global employees are treated in a fair and consistent manner, while recognizing and adapting to local laws, practices and circumstances;
- **Opportunity:** Employees are able to improve their total compensation through their efforts and performance; and
- **Transparency and clarity:** We clearly communicate the design and administration of compensation programs so employees can understand how their compensation is determined, and how they can affect it through their performance.

In each region, we strive to achieve alignment between our global programs and local market practices. We regularly review local market compensation data to ensure we provide a total package that remains fair, competitive, and well-positioned to attract and retain the best talent, targeting total compensation around the 75th percentile. For many employees, total compensation is also linked to performance, and may be above or below this target level, depending on individual and company performance for the year.

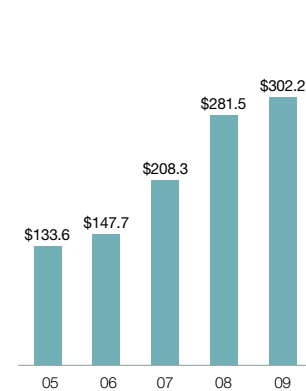
As we move into new markets, it is particularly important that we determine a compensation structure appropriate for the local market. For example, our Fruta del Norte development project represents Kinross' first experience working in Ecuador, where there is less market data available. In determining the appropriate compensation levels for our employees, we looked to general industry market data and peers in the oil and gas industry. In addition, recognizing our responsibility as a significant employer in a remote region, we also evaluated our proposed compensation levels against the living wage to ensure that the minimum rate we provided was at least equal to or above that level.

Of our global workforce, approximately 44% is salaried, and 56% receives hourly-based compensation. In 2009, Kinross provided wages and benefits of \$302.2 million, an increase from \$281.5 million in 2008.

Senior executive compensation is closely linked to both personal and overall Company performance. In addition, a high percentage of total executive compensation through options and other equity grants is "at risk" and contingent on future Kinross share performance.



Wages and Benefits
(\$ millions)



The Company outlines its executive compensation philosophy and a detailed breakdown of compensation for top executives in our [2010 Management Information Circular](#).

Our employee share purchase plan is available to Canadian and U.S. employees who have completed six months of service. Employees can contribute up to 10% of their wages, with the Company matching up to 50% of each employee's contribution. Under this plan, the Company issued 225,426 shares in 2009 and 187,353 shares in 2008.

The Company also administers retirement plans that cover substantially all employees in North America and Brazil. Kinross does not currently have any active defined benefit plans in place; however, we do have some historical plans where members still have accrued pensions.

Remuneration usually includes access to extended health coverage, life insurance, disability insurance and other benefits aimed at protecting and enhancing employee health and well-being. In 2010, we are undertaking a review of our global benefits to formally assess the competitiveness of our programs in each of our regions and ensure they continue to meet our global standards.

ENGAGING OUR EMPLOYEES

In 2009, we conducted our third biennial global employee survey and achieved a 74% participation rate. The survey provides us with an in-depth perspective on what our employees think we are doing well and areas where we need to improve.

2009 KINROSS EMPLOYEE SURVEY HIGHLIGHTS

(Indicates percent surveyed who agree with statement)

- 95% I value safety as a top priority
- 87% I believe Kinross Gold is an environmentally responsible company
- 80% I fully support the values for which Kinross Gold stands
- 76% Kinross Gold is socially responsible in the communities where we operate
- 70% I believe Kinross Gold is an outstanding corporate citizen
- 70% Employees are treated with respect here regardless of their job
- 68% The values of Kinross Gold guide me in my work on a day-to-day basis
- 66% I am satisfied with my involvement in decisions that affect my work



Based on the key opportunities identified by employees in the survey, the following emerged as areas of focus that we are addressing through action plans at the functional, regional, site and corporate levels:

- Provide development opportunities for all of our employees regardless of level;
- Provide training so that our supervisors and managers can continue to develop and become more effective in their roles;
- Continue to demonstrate our value of outstanding corporate citizenship and regularly communicate with our people about how we are doing this;
- Leverage Continuous Improvement programs to engage our people, learn from their innovative ideas and involve them in identifying and implementing workplace improvements; and
- Continue to promote and “live” our four core values.

Our next global survey will take place in 2011.

HUMAN RIGHTS

Kinross is committed to the protection of human rights in the workplace and in the community, in accordance with the Universal Declaration of Human Rights. Our Code of Business Conduct and Ethics ensures that all employees are made aware of, and are required to comply with, the Company's anti-discrimination and anti-harassment policies. In 2008, we launched an updated and more robust Whistleblower Policy, which provides employees and non-employees with a mechanism to confidentially report any human rights concerns.

We uphold the principle of freedom of association, meaning our employees have the right to choose whether they want to belong to a union. At year-end 2009, 68% of our workforce in Chile and 100% of our workforce in Brazil was represented by collective agreements. Our workforce in Canada, Ecuador, Russia and the United States is non-unionized.

Kinross supports the Voluntary Principles on Security and Human Rights and, as a signatory to the UN Global Compact, we implicitly support the core standards of the International Labour Organization. As a regular part of our due diligence process in evaluating potential new investments or partnership arrangements, we assess relevant environmental and social considerations, including potential human rights issues.

In 2010, we are rolling out a Human Rights Adherence and Verification Program (HRA & VP). The program aligns directly with Kinross' Ten Guiding Principles for Corporate Responsibility, the objectives of the United Nations Human Rights Council and the UN Voluntary Principles on Security and Human Rights. The HRA & VP training will help to ensure that all security personnel, as well as key site management, understand and are consistently compliant with the Voluntary Principles on Security and Human Rights. It will provide guidance to ensure that each location has robust systems for allegation reporting and verification, investigation and resolution, monitoring investigations conducted by public officials and other essential elements of security oversight. Training is expected to be completed by the end of 2010 and will be conducted on an annual basis going forward.

Procedures regarding notice of change of operations are handled at the site level. In the U.S. and Russia, we comply with regulatory requirements to provide employees with at least 60 days' notice if we are instituting changes that will affect a worker's employment, such as a layoff or site closure that would affect 50 or more employees. In Chile, each situation is reviewed on a case-by-case basis. In Canada, we comply with legal requirements regarding the length of notice to provide employees before a change in operations.

HEALTH AND SAFETY

OUR COMMITMENT

In keeping with our number one value of putting people first, the safety of our employees and contractors is our top priority.

Guided by our Health and Safety Policy, with oversight by the Corporate Responsibility Committee of the Board of Directors, we apply world-class health and safety standards at each of our operations. We are committed to continuous improvement and we demand it of all employees, because a safe workplace is fundamental to their success and ours.

Our EHS Management System is an essential element of the CR Management System. It is modelled on OHSAS 18001 and provides a foundation of policies and guidance to support leading safety and health practices, minimize workplace hazards and drive continuous improvement in safety performance and occupational health wherever we work. Through it, we set targets and performance standards that our operations worldwide are expected to meet.

Safety is championed by management-worker health and safety committees that are in place at most of our operations to monitor and advise on health and safety programs. At Round Mountain and Kupol, where formal committees are not yet in place, employees are encouraged to participate in health and safety initiatives, risk assessment and change management processes.

PERFORMANCE AND GOALS

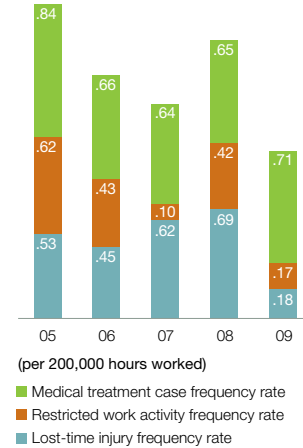
An overview of our 2009 and 2008 health and safety performance includes the following:

Safety

- Achieved a lost-time injury (LTI) frequency rate of 0.18 in 2009 compared to 0.69 in 2008, a 74% reduction year-over-year;
- Achieved a restricted work activity rate of 0.17 in 2009 compared to 0.42 in 2008, a 60% reduction year-over-year;
- Achieved a medical treatment case frequency rate of 0.71 in 2009 compared to 0.65 in 2008, a 9% increase year-over-year;
- Fort Knox continued its excellent safety record, achieving 1,243 days and 2,813,270 employee hours with no LTIs by the end of 2009 and surpassing three million employee hours without an LTI as of February 2010;
- Round Mountain received the 2009 Kinross Safety Award, achieving the greatest year-over-year improvement in lost-time injuries. In 2009, Round Mountain completed one year with no lost-time injuries among employees or contractors, a significant accomplishment;
- Experienced two mine-related employee fatalities at our Kupol operation in 2009. We put in place and completed extensive supervisory training to improve safety performance. The training is ongoing in 2010;

Five-Year Safety Performance (Incident Rate)

(includes all employees and contractors)



- Experienced one employee fatality at the Kupol site in 2008 and one employee fatality at Crixás (not operated by Kinross);
- Maricunga received the 2009 Honourable Distinction Award in the Leading Company category from Chile's National Service of Geology and Mining;
- At La Coipa, José Bugueño, who heads the Department of Risk Prevention, received the 2009 Distinguished Safety Professional Award from Chile's National Service of Geology and Mining;
- Presented the Kinross Safety Award to our DeLamar reclamation site in 2008 for achieving the best year-over-year injury frequency improvement; and
- Provided training in root cause analysis during our 2009 CR Conference.

HEALTH AND SAFETY

Health

- Expanded and strengthened existing corporate-wide standards and guidance for sites on health management techniques in 2009;
- Developed a Vaccination, Antimicrobial and Screening Standard to provide protection to Kinross employees and contractors against preventable diseases when travelling. See [Inoculations and Travel](#);
- Provided a coordinated response to the 2009 outbreak of the H1N1 virus, including flu vaccination clinics, information sessions on prevention and regular updates to employees, outlining travel advisories and protocols;
- Received an award at Paracatu for its Occupational Health Monitoring Program from *Proteção* magazine and the *Brazilian Yearbook for Health Protection* in 2008; and
- Conducted a Company-wide industrial hygiene workshop for safety and health managers in 2008.

2010 Goals

- Achieve improvements in lost-time injury and total medical injury frequency rates across Kinross, with targets to be set by sites and regions;
- Launch training program in safety causal analysis at Kinross sites;
- Conduct integrated EH&S audits for Kinross operations and growth projects in Chile, and at the DeLamar reclamation site in the U.S, and at Crixás in Brazil; and

- Continue implementation of Awareness and Preparedness for Emergencies at Local Level (APELL) at Paracatu and Maricunga.

FOCUS ON TRAINING

Safety training for our employees and contractors is a critical component of safety performance. Mandatory safety training is conducted at all of our sites, including exploration projects, based on Kinross' management standards and policies and in line with OHSAS. It includes safety leadership and risk competency training programs, which we rolled out in 2008.

At Kupol, we initiated a risk hazard identification program in late 2009, consisting of a series of discussions

about the causes of risk, the behaviours that create risks and the positive behaviours that create a safety-oriented culture at the mine.

In conjunction with mandatory training, we apply a number of standards to which each operation must comply. For example, in 2009 we introduced focused electrical safety training for our electricians and are continuing this training in 2010. At our mine sites, new haul truck operators undergo 170 hours of training in their first year, including several hours in our state-of-the-art training simulators.

For information on the very successful "See It, Own It, Solve It" safety program at our Fort Knox operation, see the case study [Fort Knox Focus on Safety](#).



Case Study

FORT KNOX FOCUS ON SAFETY

Our Fort Knox team is demonstrating how commitment and teamwork can dramatically improve safety performance through its “See It, Own It, Solve It” (SOS) program, developed in 2007.

Driven at the employee level with support from management, Fort Knox’s mine and mill workers are encouraged to watch for and record both safe and unsafe practices on SOS observation cards. SOS team representatives meet monthly to review the observations and develop strategies to reinforce safe behaviours and correct unsafe ones. Communicating safety messages and strategies – through meetings, bulletin board postings, newsletters and peer-to-peer conversation – is a vital program component.

Each employee who participates by completing and submitting an SOS participation card when an unsafe behaviour is observed is eligible to win a \$100 monthly cash prize. Twice a year, employees from departments that have a reportable incident rate below 2.0 are eligible for larger prizes.



➤ Fort Knox’s Mine Operations Crew 4 achieved a participation rate of 100% over eight months and an incident rate of zero.

With SOS participation increasing to more than 80% by December 2009, the Fort Knox team recorded a reportable incident rate of 2.31 in December 2009,

and by early 2010, had surpassed three million hours without a lost-time incident at both the mine and the mill.

OCCUPATIONAL HEALTH AND WELLNESS

Kinross has developed a comprehensive set of standards and guidelines to assist our operations in minimizing potential occupational health risks at our mines. We also provide training, instructions, procedures and protective equipment to address such issues as hearing and respiratory protection, thermal stress, industrial hygiene, ergonomics and occupational health. We regularly monitor our people for exposure to occupational health hazards.

For employees and contractors who travel to or work at high-altitude mine locations such as those in Chile, we administer rigorous medical examinations. In 2009, we developed a fatigue management standard, which we are rolling out in 2010, to address on-the-job fatigue that can occur in high-altitude locations or result from shift work.

We provide emergency medical assistance (including evacuation) to employees and contractors in remote locations. In 2009, we established a state-of-the-art telemedicine program at our Fruta del Norte project in Ecuador. We also offer supplemental health care coverage for employees transitioning to other jurisdictions. In 2009, we introduced a standardized vaccination screening program and health, safety and security guidelines for international travel for employees visiting locations outside their own country (see the [Inoculations and Travel](#) case study). In response to the 2009 H1N1 outbreak, Kinross provided flu vaccination clinics, information sessions and regular updates for employees on protecting against the virus, and advisories and protocols regarding travel to affected areas.

Each of our sites is required to conduct regular risk assessments of potential health issues. When issues are identified, formal occupational health and industrial hygiene programs are developed and implemented. We continuously seek alternative processes to reduce health risks in the workplace. For example, at Round Mountain a Site Characterization Study was initiated to determine health risks associated with operations and work activities. The study evaluates the potential exposures associated with

processes, tasks, reagents, chemical products and equipment used at Round Mountain. Based on the outcome of this study (which is expected to be completed in late 2010), air quality monitoring programs will be tailored to target health risks identified and controls implemented where necessary. Based on best practices and past history, a comprehensive air quality sampling program was completed in 2009, totalling over 450 collected samples. Agents tested for included silver, respirable crystalline silica, welding fumes, mercury and noise.

In addition to the ongoing program of mercury and lead biological sampling collected from ore processing and lab employees, the program was expanded to the welding crew. In late 2010 personnel employed as welders were required to undergo biological monitoring for an array of heavy metals.

Our employee assistance program offers a full range of counselling services regarding emotional well-being, family issues, addiction and recovery, financial planning and retirement. This program is available to our North American employees at no cost.



Case Study

INOCULATIONS AND TRAVEL

To reflect our expanded global presence, Kinross updated its guidance to employees on international health and safety in 2009.

The Health, Security and Safety Guidelines for International Travel were developed to help employees, contractors and their families safely manage travel and out-of-country assignments. The Guidelines provide health and security-related information and advice on topics ranging from trip preparation to avoidance of “traveller’s diarrhea” to in-country customs, culture and security. Kinross contracts with organizations such as International SOS and local medical centres to provide employees with 24-hour emergency assistance.

The Vaccination, Antimicrobial and Screening Standard was developed to provide protection for Kinross employees and contractors against preventable diseases when they are travelling or working in regions where the risk of disease may be greater than in their home country. Its advice is consistent with that of major health advisory organizations and ranges from vaccination recommendations for the regions of intended travel, to pre- and post-screening for tuberculosis and country-specific test requirements for HIV.



Early in 2010, we began the implementation of a wellness program to raise awareness of, and advocate for, the importance of good nutrition and exercise. In addition to making this and other health and wellness information available at our mining operations, most of our sites offer a range of wellness programs that are specific to their unique needs and priorities.

EMERGENCY RESPONSE

All Kinross operations are required to have formal emergency plans in place for all potential emergencies, including hazardous chemical spills and exposures. Hazardous Waste Operations and

Emergency Response training and certifications are updated annually. Each site must have a properly trained rescue team, who train on a regular basis and work with local response personnel to ensure mutual capability to respond to an emergency situation. Procedures are tested and reinforced regularly through simulation exercises.

Sites are also required to have local crisis management plans. Local stakeholders are identified in these plans and the plans are reviewed and updated on an annual basis.

To complement these plans, we launched the Awareness and Preparedness for Emergencies at the Local Level (APELL) program in 2008. This program, originally developed by the United Nations Environment Programme in conjunction with governments and industry, involves coordinating our emergency response planning with the local community’s emergency response capabilities and plans. Integration of APELL was completed at Round Mountain, Kettle River-Buckhorn and our DeLamar reclamation site in 2008 and 2009. Implementation of APELL advanced at our Paracatu and Maricunga sites at the end of 2009, with completion expected in 2010.



OUR COMMITMENT

Kinross operates in a wide variety of global settings, from the remote arctic region of Russia, to the Atacama desert in Chile, to the outskirts of the busy municipality of Paracatu in Brazil. While the communities where we work differ dramatically, our commitment to being a good neighbour remains the same everywhere. Our Ten Guiding Principles for Corporate Responsibility clearly articulate our commitment to stakeholder engagement, to maximizing business and employment opportunities for local communities, and to supporting sustainable initiatives to develop the social, economic and cultural fabric of our host communities.

We believe in transparent engagement with the communities where we operate, beginning during exploration and continuing through the entire life of the mine until our reclamation activities have been completed. We also believe in building partnerships that foster sustainable economic capacity and strengthen our host communities.

In 2009, to further entrench this commitment, we enhanced the

requirements of our annual site responsibility plans. Beginning in 2010, we are asking our operations to quantify their “benefit footprint” both in the near term – through job creation, local supplier contracts and support for community initiatives – and the long term – through programs that help build local business, support education and foster economic sustainability.

“Our commitment to the communities in which we operate is about creating value in a safe, environmentally responsible, and efficient manner. But more than that, it’s about engaging the communities and the host governments to consolidate the value generated to create opportunities that last beyond a mine’s life. This goes beyond simple philanthropic support; it necessarily includes contributing our expertise and labour, providing education and training opportunities, and being active participants in long-term community development. Simply put, being a good neighbour and creating lasting value are vital measures of our success as a business.”

Ed Opitz

Vice-President, Corporate Responsibility



IN THE COMMUNITY

PERFORMANCE AND GOALS

Performance highlights in 2008 and 2009 include the following:

- Developed and approved Donations and Sponsorship Policy in 2009;
- Developed framework for enhanced Site Responsibility Plans, providing guidance on practices and measurement of stakeholder and community engagement programs;
- Advanced specific stakeholder engagement initiatives at various sites, as outlined in regional summaries in this report;
- Supported a wide range of community development and capacity-building programs and partnerships, as outlined in this report; and
- Provided corporate responsibility and stakeholder engagement workshops for community, health and safety staff from all mines.

2010 Goals

- Develop and implement Site Responsibility Plans to facilitate a consistent community responsibility approach across Kinross operations;
- Develop policy guidance and other management system elements to support implementation of the Site Responsibility Plans over the course of 2010 and early 2011;

- Ensure that each site has a clearly defined community responsibility strategy that has been integrated into the business planning process; and
- Determine baseline conditions in each community in order to measure future results from implementation of the Site Responsibility Plans.

WORKING WITH INDIGENOUS PEOPLES

Kinross is committed to working with the indigenous peoples who live near our mines and projects in Chile, Ecuador, Russia, the United States, and now Canada following the acquisition of Underworld Resources in 2010. Our aim is to develop and operate projects in a manner that respects and strengthens their communities and brings positive long-term contributions to their quality of life.

To support this work, in 2009, in consultation with Business for Social Responsibility, we initiated the development of a policy on indigenous peoples that recognizes their unique histories, languages, cultures, knowledge, traditions and values and their contribution to the cultural and social diversity of the countries where we have a presence. We plan to finalize and adopt the policy Company-wide in 2010.

Chile

Kinross provides capacity-building support to the native communities of the Colla of Rio Jorquera and the Colla Wayra Manta Tuj'si near its Maricunga operations. In 2008, we signed a protocol agreement with the Colla of Rio Jorquera that recognizes that sustainable development within the Colla community depends upon the community and public-private partnerships. The objectives of the protocol are to socially assist the community to preserve and promote sustainable development, and to respect and support the culture, values and principles of the Colla people.

At our Lobo-Marte project, studies undertaken during exploration activities focused on identifying artifacts and areas of cultural importance, including the location of archaeological sites and structures. Our dialogue with the Colla people continues through our Environmental and Social Impact Assessment, which we began in September 2009. We discuss this in greater detail in the stakeholder engagement section.

IN THE COMMUNITY

In 2008 and 2009, we supported a range of ongoing capacity-building activities, which include:

- Assisting with local indigenous/ agricultural activities, such as support in building a reservoir for irrigation and planting alfalfa;
- Improving educational opportunities for youth, providing annual scholarships to Colla students and monthly support to 12 Colla families to cover local school costs and lunch expenses for their school-aged children;
- Providing 50 bursaries in 2008 to Colla students. Two graduates are now employees at Maricunga;
- Providing financial support and in-kind assistance to local native communities, including the Colla of Rio Jorquera, the Colla Wayra Manta Tuj'si and the Multicultural Native Association;
- Providing support for the House for Native Health, where traditional healing methods are practised and taught, on behalf of the Multicultural Native Association;
- Through PRODESAL, a public-private alliance led by the Chilean government, supporting bimonthly visits to rural areas by a veterinarian and an agricultural engineer. The program has been extended to provide medical assistance;
- Working with local organizations and leaders of the Rio Jorquera Colla community to improve "legal literacy" through educational seminars;
- Providing support for a program to help residents manage their wells, produce household goods and learn new animal husbandry methods; and
- Establishing an environmental roundtable with the Rio Jorquera Colla community.

We meet regularly with the Colla to discuss a broad range of community issues. For more information on our discussions, see the stakeholder engagement section of this report and the case study, [Working Together – Dialogue Tables in Chile](#).

In 2008, Chile ratified Convention No. 169, the Indigenous and Tribal Peoples Convention, of the International Labour Organization (ILO). First introduced in 1989 by the ILO, an agency of the United Nations, it covers a wide range of issues, including land rights, access to natural resources, health, education and vocational training. Countries that ratify the Convention commit to take special measures to ensure that indigenous and tribal peoples are consulted and fully participate at all levels of the decision-making processes that concern them. Kinross' commitment to corporate responsibility and our community and stakeholder engagement programs that support that commitment are aligned with these principles. We will work closely with the government in Chile as it implements the Convention and build on our experience in Brazil and Ecuador, which ratified the Convention in 2002 and 1998, respectively.



Case Study

WORKING TOGETHER – DIALOGUE TABLES IN CHILE

Since 2006, our Maricunga operation has been participating in a working group with the Colla of Rio Jorquera, and holding monthly meetings to discuss community issues. In 2008, with the signing of a new Protocol Agreement between Kinross Maricunga and the Colla, we further strengthened the framework for cooperation in key areas of Colla community development and formalized dialogue tables.

Through the dialogue tables, our Maricunga operation and the Colla are working collaboratively to help the Colla community address key needs, including:

- Implementing community projects and assisting entrepreneurs;
- Assisting in training, employment, educational scholarships and eco-tourism initiatives;
- Providing medical visits to homes in the region; and
- Providing financial assistance in securing specific water rights for Colla territory.

The dialogue tables are also helping Kinross and the Colla resolve issues of mutual concern. The public access road leading to the Maricunga site has

been a source of concern with respect to traffic, dust and the potential for harm to nearby Colla communities, livestock and crops.

While road maintenance is carried out by the Chilean Ministry of Public Works, Kinross contributes financially to support ongoing road work. In 2009, a formal complaint about road damage was submitted by the Colla of Rio Jorquera community to the Chilean National Commission for the Environment. The government determined that further investigation was warranted and convened a dialogue table in May 2009, which brought together Colla leadership, senior Maricunga mine staff and government representatives. With the help of a mediator, we met monthly through 2009 to better understand and address the concerns of the Colla community.



Through the dialogue tables, all three parties, Kinross, the Colla of Rio Jorquera and the Chilean government, reached an agreement in March 2010. The agreement addresses major issues of concern, including road maintenance, improvements in road safety, and addressing and reducing the environmental effects on the Colla who live near the road.

Kinross is committed to reaching solutions and strengthening our relationship with our Maricunga neighbours, and to applying what we have learned at our operations worldwide.

IN THE COMMUNITY

Ecuador

Our sustainable development initiatives in Ecuador focus on capacity-building, institutional strengthening, and local and regional business development. In 2008, we maintained dialogue with the Shuar indigenous people and local communities, which include many immigrants from Loja and Azuay provinces. In 2009, we signed a Cooperation Agreement with the Shuar Federation of Zamora-Chinchipe, which provides a conceptual framework and general context for overseeing specific projects to improve the quality of life of people in the region, in cooperation with government, NGOs and local communities.

Through the cooperative agreement, programs are assisting communities in the Shuar Federation in areas that include strengthening the Federation as a political and development entity for the Shuar people; infrastructure projects such as housing improvement, school reconditioning, improved roads and



providing potable water; support for traditional cultural and sporting events; and support for economic development projects such as a tourism project and cultural centre.

Russia

As one of the few large employers in the region near our Kupol operations, Kinross provides economic and social support to the indigenous people through employment, contractor and supplier purchases, and other services. In 2008, we reached an agreement with the Chukotka Regional Association of Indigenous Peoples of the North, Siberia and Far East to help ensure that the benefits of Kupol reach the region's indigenous people. Under the agreement, a representative of the Association sits on the Kupol Foundation, a development fund partnership established in 2009 to support local economic development. For more about our activities in Russia, see [Contributing to Economic Development in Russia](#).

In recognition of our contribution to the socio-economic, cultural and institutional development of the indigenous people in Russia's Far East region, the Russian Association of Indigenous Peoples of the North (RAIPON) honoured Kinross with the International Vitus Bering Award as the Best Industrial Company of 2008. The award is granted every four years, with nominations made and approved by indigenous people.



United States

Kinross has engaged with the Western Shoshone Native Americans, who have roots in the Round Mountain area, for a number of years. In 2007, Round Mountain Gold Corporation and the Western Shoshone Descendants of Big Smoky Valley signed a Memorandum of Agreement. The agreement has had several positive outcomes, including relocation of a proposed access road to accommodate Western Shoshone concerns and the signing of a Memorandum of Understanding which expresses their support for extending the life of the mine. In 2007, in conjunction with the permitting process to extend mine life, a dialogue group was established.

For more on this, please see the case study [Round Mountain – Socio-Economic Contributions](#).

ENGAGING OUR STAKEHOLDERS

Engaging host governments and public stakeholders in a meaningful way is a key pillar of Kinross' approach to corporate responsibility. Engagement is a long-term commitment that requires our strategic participation in a local community's ongoing efforts to determine its future, from the earliest stages of exploration, through permitting, development, construction, operation and mine closure.

Through informed consultation, we aim to achieve broad community support for our activities. This requires consistent adherence to fundamental principles, including:

- A process that is inclusive of all affected stakeholders;
- Clear communication of potential project-related risks and impacts;
- Provision of information in the languages and methods preferred by the affected communities;
- Adequate time and opportunities for collective decision-making; and
- Proactive exploration of community needs and opportunities.

Given the business we are in, and the fact that our activities can span several decades, engagement with our stakeholders inevitably includes challenging conversations and raises concerns that may be difficult to resolve. We accept these challenges. That is the nature of building long-term, trusting relationships and being good neighbours.

In 2009, Kinross incorporated stakeholder engagement as a fundamental aspect

of our [Site Responsibility Plans](#) (SRPs). Designed to promote consistency, the key elements for engagement include stakeholder identification and mapping, and an engagement and consultation plan. Among other activities, each site must establish an advisory group to help ensure ongoing and effective stakeholder engagement as well as grievance management procedures. Our Social Management System will include tools for monitoring and measuring stakeholder engagement and other aspects of the SRPs.

Our sites have many of the elements of the SRPs already in place. At Paracatu, for example, a Stakeholder Committee was established in 2008, comprised of representatives from neighbouring communities, to discuss issues and make recommendations in such areas as environmental monitoring as well as social and environmental initiatives. In addition, we created a 24-hour hotline in 2008 to receive and register community complaints, concerns and suggestions and to provide feedback within 24 hours. See [Engaging Stakeholders at Paracatu](#).



KEY STAKEHOLDER ISSUES

In 2008 and 2009, the significant issues raised by stakeholders focused on mine expansion, operational impacts and the communities' interest in associated economic opportunities. The table below outlines some of these concerns by site and the ways in which we responded.

PARACATU, BRAZIL

Key Stakeholders: Neighbouring communities, including the Quilombola community

Issue	Response
Historic land claim process and construction of a new tailings dam	Kinross has a history of working cooperatively on initiatives and in partnership with the Quilombola. A report by Brazil's Instituto Nacional de Colonização e Reforma Agrária (INCRA) issued on March 6, 2009 concluded that local Quilombola communities have historic rights to 2,218 hectares of land in the Paracatu area, a portion of which (approximately 900 hectares) would be affected by the planned new Eustaquio tailings dam. Today, no Quilombolas are living in the area affected by the new dam. The Company is currently pursuing an agreement with the local Quilombola communities regarding appropriate compensation for the lands in question, based on a determination of fair value.
Blasting noise and dust	After completing technical studies and stakeholder consultation, several initiatives were implemented, including a 24-hour complaints hotline and a citizen monitoring committee. See the case study Responding to Neighbours' Concerns for more details.
Traffic through a residential community	A single-lane road that passes through the residential community is being replaced by a new access road, currently under construction, to redirect traffic away from more populated areas.

MARICUNGA, CHILE

Key Stakeholders: Rural and urban indigenous Colla community, neighbouring community of Tierra Amarilla

Issue	Response
Water scarcity	Community sustainability workshops held in 2008 and 2009; field visits; monthly roundtable discussions with Colla communities; development of cooperative water protection agreement and environmental board with governments and the Colla.
Noise and dust, traffic, damage along mine access road	Government-convened and mediated dialogue table. For more information, see Working Together – Dialogue Tables in Chile . Agreement with the Ministry of Public Works for maintenance of the road to Maricunga.
Property rights with respect to access road to new camp	Government-convened and mediated dialogue table.

IN THE COMMUNITY

LOBO – MARTE, CHILE

Key Stakeholders: Colla communities, governments, environmental and tourism officials

Issue	Response
Economic development	Formal engagement as part of Environmental and Social Impact Assessment began in September 2009.

LA COIPA, CHILE

Key Stakeholders: Local communities, governments

Issue	Response
Economic livelihood for artisanal miners	Agreement signed in 2009 with the small miners of Copiapó providing mining access for about 500 small miners.

FRUTA DEL NORTE, ECUADOR

Key Stakeholders: Local communities, governments

Issue	Response
Potential impacts of project development	Monthly meetings with Community Council, representing 16 communities in the area of influence of the project; transition from community council forum to parish council forum after elections in 2009; development in coordination with government and parish council of mitigation initiatives with an economic, social, cultural and environmental focus.
Artisanal mining	Development of a formal proposal to government to find a safe, environmentally acceptable and legally viable accommodation with artisanal and small-scale miners who have been active in the region around the project; initiation in December 2009 of a dialogue process, managed by government, and involving local miners and Kinross.

KUPOL, RUSSIA

Key Stakeholders: Chukotka communities, governments

Issue	Response
Economic benefits of Kupol, notably employment and training	Annual public consultations and mine performance reports presented to communities. Introduced certified professional training and pilot programs in vocational training on site at Kupol. Created the Kupol Foundation to provide opportunities for community initiatives.

FORT KNOX

Key Stakeholders: Electorate of State of Alaska

Issue	Response
2008 state-wide anti-mining ballot initiative	Worked with industry association to communicate economic and social benefits of responsible mining to Alaska; referendum defeated by Alaska voters.

IN THE COMMUNITY

ROUND MOUNTAIN

Key Stakeholders: Communities, indigenous peoples, governments

Issue	Response
Potential impacts of mine life extension	Stakeholder Committee established; dialogue group with Western Shoshone Native Americans convened; formal consultation on draft mine plan. For more information, see Round Mountain Socio-Economic Contributions

KETTLE RIVER-BUCKHORN

Key Stakeholders: Communities, governments, businesses, special interest groups

Issue	Response
Impacts of mining	Creation of multi-stakeholder community advisory association in 2006 to address issues as they arise and manage a citizen-led water-quality monitoring program.

In addition to our program of local stakeholder engagement, we identify opportunities to collaborate and share information with a broad range of local and international non-governmental organizations (NGOs) and academic institutions. For example, Kinross is participating with two major Canadian

universities on case studies focusing on corporate responsibility and stakeholder relations at our Paracatu and Maricunga operations. See the case study [Third Party Studies of Kinross](#).

At Fruta del Norte, we have recently provided tours of our development

project with Flora & Fauna International, the Rainbow Ecological Foundation, the Latin American Foundation for the Future and the Social-Environmental Conflicts Watch, at the Technical University of Loja. We also enjoy productive relationships with regional NGOs such as MOVER in Paracatu and PROhumana in Chile.

RESETTLEMENT

In 2008 and 2009, Kinross Paracatu resettled almost 60 rural families as a result of the construction of its tailings dams in the Machadinho and Santa Rita regions. Prior to the resettlement process, Kinross undertook a comprehensive socio-economic assessment, identifying 31 families that would be considered vulnerable due to lack of sufficient education, low income or that rely on the property as their sole source of income. All of these vulnerable individuals received counselling on the options available to them, which included selling their property to Kinross for fair compensation, swapping their property for another property of greater value provided by Kinross, or selecting another property and asking the Company to buy it and provide equivalent infrastructure. Once an option had been selected, each family was provided with extensive assistance to help facilitate their move to a new location, including finding schools, providing health assistance where required, supporting elderly people who might have difficulty adapting to change and providing access to federal microcredit programs.

The Company successfully negotiated compensation with all families, satisfying the IFC “willing buyer/willing seller” criteria: the individuals affected by the project were willing to sell their property and assets on a voluntary basis; the transaction took place with the seller’s informed consent; and the seller was provided with fair compensation based on prevailing market values.

The Company provided the necessary financial support to assure that all of those affected by the resettlement were able to restore their livelihoods to levels equal to or better than those they maintained at the time of sale. Some chose to relocate to a similar area and continue a similar livelihood in this new location, while others decided to move to town and assume an urban lifestyle.

Case Study

PARACATU – RESPONDING TO NEIGHBOURS’ CONCERNS

With the mine life at Paracatu expected to extend until 2041, it is paramount for Kinross to maintain mutually beneficial relationships with our neighbouring communities, some of which lie in close proximity to our mining operations. The Paracatu Stakeholder Committee has proved an effective forum for hearing community concerns and working together to find mutually acceptable solutions.

When area residents raised concerns about the impact of increased blasting activities, we undertook a consultation process, consisting of 14 community meetings. Technical experts were brought in to carry out a Technical and Social Impact Assessment, including a structural assessment of 207 houses in neighbouring communities to establish baseline assessments of the impact from noise, vibrations and dust. Area homes were examined to determine if there was a relationship between blasting and structural cracks.

In June 2009, Kinross convened a meeting with the Stakeholder Committee to examine the results of those assessments and develop an action plan to minimize impacts and maximize social benefits. The result was a formal agreement that catalogues several positive outcomes:

- The mine has modified explosive charges according to the proximity of blasting to neighbouring communities, established agreed-to timeframes during which blasting can occur and provided training and wages to support community monitoring. We continue to explore technological options to minimize blasting impacts;
- A tree line is being established to mitigate dust and noise, additional water spraying systems are in place to reduce dust at the mine and on the roads, and noise monitoring points are being reviewed to ensure they are appropriately placed;
- Through a joint planning session with local residents’ associations and city officials, a buffer zone has been discussed. The assessment to define Kinross’ plan for acquisitions of the identified homes and the relocation of residents according to a mutually-agreed plan will begin in 2010;
- While no correlation was found between blasting and cracks in the 207 homes examined, homeowners wanting further assurance were given the option to have their reports independently reviewed. We are continuing to monitor the impacts; and
- Kinross is continuing to support local economic development by giving neighbouring residents priority for jobs and educational opportunities, qualifying as local suppliers, and, beginning in 2010, providing social investment funding to neighbourhood associations.



Case Study

THIRD-PARTY STUDIES OF KINROSS

With the relationships between extractive companies and host communities attracting increased discussion and debate, some academics and others specializing in CR are advocating a case-study approach to explore those relationships, with an eye to identifying “lessons learned” for industry, governments, and civil society.

Kinross has agreed to participate in two such case studies, undertaken by major Canadian educational institutions, which focus specifically on corporate responsibility and stakeholder relations at two of our operations in South America.

The first study, “Corporate Social Responsibility at Kinross Gold’s Maricunga Mine in Chile: A Multiperspective Collaborative Case Study,” was led by Dr. Kernaghan Webb, Associate Professor and Director of the Institute of the Study of Corporate Social Responsibility at Ryerson University in Toronto, Ontario, and is now complete. The study involved a diverse team of independent Canadian and Chilean academics and persons from the mining sector, government and non-governmental organizations with practical experience in CR issues. The team conducted approximately 40 semi-structured interviews between November 2008 to March 2010 with Kinross management, regional and Maricunga mine officials, workers, suppliers and sub-contractors, Colla indigenous persons, non-Colla community persons, government officials, non-governmental organizations, members of the investment community and others. Among its conclusions, the study found that “Kinross Gold at its Maricunga operations is devoting considerable energies to developing and fulfilling agreements with a number of different parties to address a number of different social, economic and environmental issues...Key innovations that have been developed by the parties include a protocol agreement between the company and the Rio Jorquera community, a tripartite arrangement for identifying and resolving issues associated with the road, and a number of partnerships and agreements to address environmental, social and economic impacts.” The complete study is available at http://www.ryerson.ca/csrinstitute/current_projects/Dfait_ch2_KGR_Maricunga.pdf

The second is a study of stakeholder relations at our Paracatu mine in Brazil. This study is being undertaken as part of the FORRÉ research network, and is being led by Dr. Ben Bradshaw, Associate Professor in the Department of Geography at the University of Guelph in Ontario, Canada. Consistent with the multiperspective methodology used for the Maricunga study, a first draft case report has been reviewed and critiqued by a range of study participants, and is currently being redrafted, supported by additional field research in Paracatu. A final report will be available in late 2010.

COMMUNITY AND SOCIAL DEVELOPMENT

In line with our commitment to community development and our focus on health, capacity-building and the environment, we reached out to our communities with a variety of initiatives in 2008 and 2009. We highlight some of them below.

Brazil

With mining activities at Paracatu expected to continue until 2041, Kinross recognizes the importance of our contributions to the economic and social well-being of the people who live near our operations. Local development is a participatory process and relies on the creation of partnerships among civil society, local government and the private sector. We invested \$1.48 million in 2009 and \$754,252 in 2008 in community initiatives to build job skills, improve health facilities and support local cultural initiatives. Some major initiatives include the following:

- Completed environmental work on the Rico Creek revitalization and will start the construction of a linear park in 2010, to which we have contributed \$1.7 million over two years;



IN THE COMMUNITY



“Considering the actions and initiatives of Kinross Gold Corporation in the area of social responsibility, we would like to pay tribute by granting the Medal of Honour in Social Development ... Among the various social actions accomplished by Kinross Gold Corporation, the Environmental Education Program was especially outstanding.”

– Instituto Ambiental Biosfera

- Committed \$250,000 in 2009 to improve water flow in Espalha Creek (see [United Waters of Espalha Creek](#));
- Established a partnership with Atenas Medical College and the City of Paracatu to build a new emergency care unit in the municipal hospital, contributing \$400,000 to buy materials for the construction of the new emergency care unit and hospital expansion;
- Supported the decision of the federal government to establish the Federal Institute of Education, Science and Technology in Paracatu, with a donation of \$175,000 in equipment;
- Supported the Local Workforce Hiring System and Capacity-Building Program, designed to give preferential access to employment opportunities to people in the local community, and encouraged local suppliers and service providers to do the same. Invested in qualification and professional improvement programs to help prepare local youth for the job market;
- Developed a local Suppliers Qualification Plan (SQP) to stimulate the competitiveness of micro and small companies in the supply chain;
- Continued support for the Generation Project, designed to fund initiatives that promote the generation of jobs and income within the Paracatu municipality, with funding decisions based on the participation and evaluation of projects by members of the local community. Donated equipment and materials with a value of \$30,000 to a cooperative and a rural association in order to support income and job generation projects;
- Supported a range of local initiatives to generate employment, and promote tourism and culture, such as EXPO Paracatu, the Paracatu Technology and Work Fair and the Winter Festival of Brazilian Music; and
- Received the 2009 Medal of Honour in Social Development, granted annually by the Instituto Ambiental Biosfera, a Brazilian non-governmental organization. The award celebrates individuals and organizations that support the quality of life of Brazilians through environmental or sustainable development contributions. Kinross, the only mining company in the state to receive a nomination, was lauded in particular for its environmental education initiatives.



› In February, 42 students from the Mining Engineering department at Queen's University in Kingston, Ontario, Canada visited our La Coipa operations to take a tour and learn more about mining and metallurgical processes.

Chile

Kinross supports a variety of programs in Chile that focus on education, employment, health care, agriculture, tourism, environmental protection and local culture. We discuss these in more detail in the Indigenous Peoples section of this report.

We support a number of educational initiatives for students at the elementary, secondary and post-secondary levels, outlined in the case study [Capacity-Building Through Education](#). In addition, La Coipa supports local students through adult education courses designed to increase employment opportunities. In 2008 and 2009, these courses included cooking, costume design and construction, as well as handicraft and copper

embossing training workshops for people with disabilities. Additional courses in international cuisine and business are in development.

In October 2009, we initiated a review of our community investment practices in Chile with the purpose of developing a strategy that will align our community investment with the Company's business objectives, focus on community and government partnerships, and support initiatives that build capacity and systems for the long term. An important component of investment initiatives will be the systematic tracking of outcomes and impacts for both the community and the Company. Implementation of the strategy will begin in 2010.

CHILE EARTHQUAKE RESPONSE

Kinross responded quickly with aid to the people of Chile in the wake of the earthquake that struck the country on February 27, 2010. Immediately following the earthquake, Kinross provided transportation for rescue workers to the affected area and made its mine rescue teams available to assist in the relief effort if requested by local authorities. The Company committed to provide CDN \$705,000 to humanitarian relief initiatives, focused primarily on rebuilding schools, housing and other social support.

Kinross' Maricunga and La Coipa mines in Chile are located approximately 1,000 kilometres north of the area most affected by the earthquake. No employees working at the mines or in the Company's offices were injured during the earthquake, and our operations suffered no damage apart from a brief power outage.



Case Study

CAPACITY-BUILDING THROUGH EDUCATION

Building capacity in the communities where we operate promotes our mutual success during the life of a mine's operation. Our educational initiatives at our Maricunga and La Coipa operations in northern Chile are one example of how we help ensure that success continues in the region after a mine's closure.

Our Maricunga operation provides financial assistance and scholarships to Colla students at the elementary, high school and post-secondary levels. In 2009, 79 students benefited. Employee volunteers from La Coipa team up with students from Liceo José Antonio Carvajal, a technical school, to help them hone the wiring, plumbing and other skills they have learned in the classroom by assisting with home improvements in the poorer neighbourhoods of nearby Copiapó.

In a new initiative, La Coipa and Maricunga, within the framework of employment support programs sponsored by the Chilean Ministry of Labour to help graduates gain real-

world mining experience, have developed an apprenticeship program. In 2009, nine students from the Tierra Amarilla Technical School – specializing in mechanics and welding and metallurgical sampling – spent four months apprenticing at our operations. The Ministry of Labour provides a subsidy to the graduates, and Kinross provides hands-on training and accommodation at the mine sites. Upon completion of their apprenticeships, one student was hired by Kinross and the remainder were hired by other local businesses. Based on that success, Kinross plans to invite applications for another 20 apprenticeship positions in 2010.



IN THE COMMUNITY

Ecuador

Kinross' Fruta del Norte project is located in Zamora-Chinchipe, one of the poorest provinces in Ecuador. Kinross supports capacity-building in local communities through economic, social and cultural development programs. In addition, the Company supports educational programs for children and improvements to basic infrastructure. These programs include indigenous communities of the Shuar people, under a special framework agreement. In alignment with government policy, all of our social development activities in Ecuador have been coordinated in a government-community-company framework within the overall context of national development plans for the southern region of Ecuador.

In 2009, we provided support to approximately 500 coffee farmers in the APEOSAE cooperative in order to strengthen the business, increase the number of producers and expand their access to markets under the fair trade label. For more information, see our case study [Supporting Coffee Farmers in Ecuador](#).



In Los Encuentros, the parish centre for the project, a cattle farming improvement program was conducted with the assistance of agricultural experts. The objective of the program is to help local farmers improve their cattle management techniques and also reduce deforestation, a common problem in the region. In Los Encuentros, Kinross also works with a local women's poultry cooperative and with the local water management board.

Also in 2009, we launched the next phase of our agreement with the Shuar Federation of Zamora-Chinchipe. This relationship began in 2007 and our support is strongly focused on internal capacity-building, education and community infrastructure projects. Our consistent support to the management team of the Shuar Federation, together with their active involvement in developing and implementing community projects, achieves multiple goals: experience in project management, delivery of real benefits to Shuar communities, and growth in confidence and leadership. Our long-term objective is to support the Shuar people in their goal of independent development and management of sustainable activities, aligned with their way of life and culture.

Through an agreement with the Education Ministry, we continue to provide support for teachers, school infrastructure and improvements, and school supplies including encyclopedias, maps, dictionaries, sporting equipment, desks and other classroom furniture. Our strong focus on children is also reflected in our program on children's rights, conducted under the auspices of the National Council for Children and Adolescents.



Russia

Kinross is an important employer in the Far North East region of Russia. Our business supports economic development and social infrastructure for neighbouring communities and the indigenous people. For example, we provide transportation support for medical needs and other vital services to people living in locations only accessible by helicopter.

In 2009, Kinross established the Kupol Social Development Foundation with a \$1 million start-up grant. The objective of this arm's-length, not-for-profit foundation is to create a responsive funding mechanism that will support local community initiatives. Under its governance structure, recommendations for funding are made by a nine-member board comprising regional stakeholders. By agreement with the regional indigenous peoples' association, no less than one-third of funding awarded will go to support projects for indigenous people in the regions associated with Kupol.

In October 2009, the Foundation's first round of annual grants were awarded to projects promoting education, health and welfare, small business and indigenous people. In one project, indigenous reindeer herders in the Anadyr District received funding to provide modern

IN THE COMMUNITY

communications tools. In another, the Regional Art School for Children in Anadyr received funding to develop a centre to train children in the traditional Chukotka art of bone carving. In addition to preserving indigenous culture, the training will help develop the occupational skills of the young people.



› Kinross supports the Vladislav Tretyak Foundation and Sports Academy, committed to raising funds to support youth across the Russian Federation, including children's hospitals, literacy and job-training programs for disadvantaged youth, and palliative care for children with terminal illnesses. Kinross has also helped to organize the annual Tretyak International Hockey Tournament in Moscow for 15-year-old players from teams around the world.

United States

We provide a variety of programs to support the unique needs of the communities at our U.S. mines at Fort Knox in Alaska, Kettle River-Buckhorn in Washington and Round Mountain in Nevada, as well as at our reclamation sites.

Fort Knox

At Fort Knox, we participate in a variety of local events, such as the annual Golden Days celebration, the Tanana Valley Fair and the annual spring Clean-Up Day. We work with the University of Alaska, participating in Engineering

“The Buckhorn Community Advisory Association would like to extend our appreciation to ACI Northwest, Inc. (Kinross’ contract hauler) and Kinross Gold Corporation for their continued dedication and commitment to our community. ACI and Kinross representatives regularly attend our meetings, participating actively and working together with association members to seek solutions to any issue that may arise. They have proven their respect for our communities time and again.”

– **Buckhorn Community Advisory Association**

Week and job fairs and by lending classroom expertise. For many years, our team has worked with the Alaska Mineral and Energy Resource Education Fund to teach Alaskan elementary school teachers and students about natural resources. Several members of the management team also serve on local education advisory committees and on the boards of directors of a number of local charitable organizations. Our popular mine tours, offered free to community and educational groups, were limited in 2009 due to increased construction activity. They have resumed and will be expanded in the summer of 2010.

Kettle River-Buckhorn

Kettle River-Buckhorn's activities focus on education, health and public service. In 2008 and 2009, we provided funding for scholarships, sports and theatre at local schools, a youth development program, first-aid training and a county law enforcement officer. We also partnered with a local builder to build

new homes, increasing the attractiveness of living and working in the community. We organize an annual Arbor Day to provide education and tree-planting experience to elementary school children. In addition to financial sponsorship, our employees volunteer for activities such as Prospector Days, an annual week-long celebration of the area's mining and logging history. In 2008 and 2009, we provided donations to the Back Country Horsemen of Washington, a local non-profit organization that teams with government and private agencies to manage and maintain recreational lands and wildlife trails in the state. The funds will support the future purchase of property for the Whistler Canyon Trail.

Round Mountain

Kinross is the leading employer in the Big Smoky Valley, a remote rural region, and Round Mountain is a town of a few people. We provide donations to many local organizations, with the priority on education, youth and health, and we also partner with local schools. For example, we supplied a welding teacher for the local high school and provided



› Round Mountain Gold assisted the local community school when their new HVAC system arrived. The mine's Plant Maintenance department provided a crane and operator to help remove the old system and install the new one in a three-day operation.

Case Study

ROUND MOUNTAIN – SOCIO-ECONOMIC CONTRIBUTIONS

Located in central Nevada, 402 kilometres from the nearest metropolitan area, the Round Mountain mine plays a unique socio-economic role for its employees, contractors, nearby communities, indigenous neighbours and other stakeholders in the area.

Kinross undertook a robust stakeholder engagement process when we sought to extend mining operations at Round Mountain beyond the existing closure date of 2011. To help understand the potential social and economic impacts of the mine life extension, we:

- Established a Stakeholder Engagement Committee, with a commitment to meet regularly with area stakeholders;
- Convened a Native American dialogue group, consulted with Tribal

Councils, and included Native American monitors in cultural surveys; and

- Received public comments on the expansion's draft Environmental Impact Study.

One outcome of these initiatives was the rerouting of the transportation and utility corridor to address Native American cultural concerns. Another was the conclusion of a Memorandum of Understanding and a Memorandum of Agreement with the Western



Shoshone group, which memorialized actions to ensure continued respect for cultural resources alongside the expansion of mining activities at Round Mountain. Open communication and dialogue with stakeholders is ongoing as we continue to build and grow cooperative relationships.

in-kind support to improve the industrial arts (welding) shop. Our employees teach classes on résumé writing and interviewing techniques. Several of our managers volunteer as coaches for the sports teams. We also participate in the Smoky Valley Community Development Team, which partners with local and state agencies to provide financial support for small businesses and start-ups.

Reclamation Sites

At our reclamation sites, we work in consultation with federal, state and local officials, neighbouring landowners, NGOs and communities to develop value-creating uses for former mine sites. At DeLamar, we have erected an anemometer tower to determine the wind resources available for potential development. In 2009, Hayden Hill

completed a multi-year process to donate over 303 reclaimed hectares, including constructed wetlands, to a federal agency to be managed as a wildlife preserve. Sunnyside's Mayflower Mill was donated to the San Juan Historical Society and has been transformed into an interpretive museum creating local seasonal employment.

ENVIRONMENTAL RESPONSIBILITY

OUR COMMITMENT

At Kinross, maintaining high standards for our environmental accountability is a cornerstone of our commitment to corporate responsibility, enshrined in our Corporate Responsibility Principles and our Environmental Policy. Responsibility for environmental protection is overseen by the Board's Corporate Responsibility Committee and is the mandate of every employee. Employees at the sites receive mandatory environmental training annually.

Our corporate Environment, Health and Safety (EHS) Management System, part of our CR management system, is modelled on ISO 14001, OHSAS 18001 and other internationally accepted standards, and provides a foundation of policies and guidance to protect the environment, minimize our footprint and drive continuous improvement wherever we work. Through it, we set targets and performance standards that our operations worldwide are expected to meet. Our La Coipa and Paracatu sites are also ISO 14001 certified.

PERFORMANCE AND GOALS

Performance

Performance highlights in 2008 and 2009 include the following:

- Completed a Company-wide review of air emissions to better understand Kinross' emissions of metals, indicating that air emissions across Kinross are well below regulatory limits and represent best management practice;
- Completed an engineering review and improvement of air emissions controls at La Coipa, achieving a 97% reduction in 2009 in its mercury emissions compared to 2006;
- Continued to control and treat the groundwater plume at La Coipa in full compliance with regulatory standards;
- Successfully resolved water treatment challenges at Kettle River-Buckhorn, strengthening compliance at that site;
- Continued a voluntary program in 2009 to lower mercury emissions at Round Mountain, achieving a 93% reduction over 2007 levels;
- Completed energy audits at all operations;
- Following the certification in 2007 of our Round Mountain operation in the United States to the International Cyanide Management Code, we completed the certification of our operations at Maricunga in Chile, Paracatu and our joint venture at Crixás in Brazil, Fort Knox and Kettle River-Buckhorn in the U.S., and Kupol in Russia;

In November 2009, Kinross Gold moved its head offices in Toronto, Canada to a new LEED (Leadership in Energy and Environmental Design) certified building, an internationally-accepted benchmark for the design, construction and operation of high-performance, environmentally-friendly buildings. The new building aims to use approximately 60% less energy than a comparably-sized property and offers innovative green features, including: an advanced heating and cooling system that uses water from nearby Lake Ontario; a built-in cistern that collects and recycles rain water; a state-of-the-art ventilation system; and auto-dimming lights to reduce energy use. During the office move, Kinross recycled 100% of its used furniture, diverting a total of 16.7 tonnes of waste from landfill. The funds generated from the recycling program were donated to the Chilean earthquake relief effort.



ENVIRONMENTAL RESPONSIBILITY

- Received final approvals in 2008 for new mining operations at Kettle River-Buckhorn and Kupol, with both operations successfully brought into production;
- Received the 2009 Tileston Award at Fort Knox from the Alaska Conservation Alliance and the Resource Development Council in recognition of reclamation work done on Fish Creek;
- Received the 2009 National Hardrock Mineral Environmental Award from the U.S. Bureau of Land Management for reclamation work at our DeLamar closure site;
- Obtained all water and related permits to advance the expansion project at Paracatu, including the permit to install the new tailings dam;
- Renewed an agreement between our Maricunga operation and the Chilean Forestry Service for the protection of flora and fauna at the Laguna del Negro Francisco National Park; and
- Recognized by the Chilean government for our Maricunga operation's contribution to the protection of the Ramsar Convention site at the Laguna del Negro Francisco National Park.

2010 Goals

- Develop and implement improved environmental standards in key areas including tailings and mass stability, water use and quality, air quality and biodiversity;
- Complete environmental risk assessment reviews at La Coipa, Fort Knox and Paracatu;
- Complete tailings reviews at Paracatu, Kettle River-Buckhorn, Round Mountain and Crixás;
- Carry out integrated EH&S audits for all operating sites and development projects in Chile, as well as DeLamar and Crixás;
- Achieve improvements in Kinross EHS Performance Index, working with sites and regions to identify performance improvement targets;
- Complete the development of a climate change strategy and program for Kinross, including guidance and standards;
- Complete Cyanide Code certification audit at La Coipa; and
- Develop a revised strategy for mercury by-product disposal (for additional information, see [GRI Index Table](#)).

COMPLIANCE

Kinross' first environmental priority is to maintain compliance with all environmental laws and regulations. We take this responsibility very seriously and have incorporated this commitment into annual performance evaluation criteria. In the two years 2008 and 2009, Kinross received a total of 10 notices of violation and five fines totalling \$150,690. In all cases, corrective measures were implemented to improve environmental management standards and prevent recurrence to the satisfaction of regulatory authorities. See the [Water Management](#) section.



ENVIRONMENTAL RESPONSIBILITY

WATER MANAGEMENT

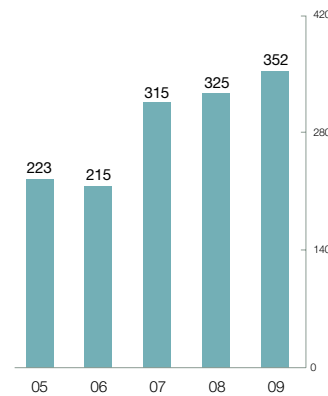
Protection of water resources is a top priority at all of our operations. Whether in the arid desert mountains of Chile or Brazil's tropical savannah, water resources are precious and Kinross takes its stewardship responsibilities seriously.

The potential impacts of our activities on water resources are carefully analyzed and considered during project planning. Monitoring programs are established early and continue through the life cycle of our operations to verify that operational design and controls are protective of water resources. By-products of our mining and processing operations are strictly controlled to minimize impact to the environment and safeguard the health of employees and neighbouring communities.

Water quality is a particular concern for communities that lie in close proximity to our operations. At Paracatu, we monitor water quality at a number of points, both near our property and tailings facility and at downstream locations. This data is shared with public sector authorities on a monthly basis. At the request of Santa Rita, a community downstream from the operation, Kinross provides resources to monitor the quality of the water and conduct independent assessments that have become part of the overall water monitoring program.



Water Consumption Rates
(litres/tonne of ore processed)



To improve water quality and flow in important feeder streams in the Paracatu area, we completed improvements to Rico Creek in 2009 and launched the Espalha Creek (a tributary stream of Rico Creek) project to protect its spring, recover flow previously affected by extensive agricultural activities and the reduction in the watershed area of Rico Creek caused by our mining activities. For more information, see the case study [United Waters of Espalha Creek](#). We also improved our passive treatment systems to improve the water quality of creeks downstream of the mine pit and tailings dam.

Should monitoring identify that existing controls are not achieving performance objectives, corrective measures are implemented before significant impacts can occur. Our water management and treatment systems at our Kettle River-Buckhorn operation provide an example of this approach. During 2009, the water treatment systems were unable to consistently meet desired water quality and volumes. The introduction of improved

LA COIPA REMEDIATION

As outlined in detail in our 2007 Corporate Responsibility Report, Kinross has established an extensive remediation program at its La Coipa site to address mercury contamination of groundwater adjacent to the tailings facility, resulting from mercury that occurs naturally in the orebody.

Site monitoring indicates that the operation of the containment and remediation systems has effectively prevented further down-gradient migration of mercury in groundwater, contained the contamination within the site boundary, and has also made good progress in reducing mercury levels in the plume. La Coipa has continued to operate in full compliance with regulatory standards for mercury.

plant control systems corrected many of the problems, while a systematic engineering evaluation of the treatment technologies resulted in the addition of reverse osmosis in August 2009. Subsequently, the operation has consistently achieved full compliance with discharge water standards and additional improvements are in progress to increase plant capacity and robustness. See the case study [Committed to Water Quality at Kettle River-Buckhorn](#).

In June 2009, the DeLamar reclamation site was assessed an administrative penalty by the U.S. Environmental Protection Agency following a compliance inspection, during which turbidity was noted in water coming from an area where naturally occurring clay had been excavated for use as construction material for reclamation covers. Unusually

ENVIRONMENTAL RESPONSIBILITY

heavy precipitation and snowmelt immediately prior to the inspection resulted in a discharge from in-pit sediment ponds. Kinross took immediate corrective actions to address the problem and prevent a recurrence of this event during periods of high precipitation.

Efficient use and conservation of water resources is a component of Kinross' environmental stewardship responsibilities. Water usage is monitored at each operation and opportunities for conservation are routinely evaluated as part of our continuous improvement

efforts. Recognizing that water usage at our Maricunga operation had been increasing annually, a comprehensive audit was performed in 2009 to assess the efficiency of water usage. The capital required to implement the audit recommendations is currently being evaluated. Based on the success of the Maricunga audit, additional audits are being considered for other operations.

In early 2010, our La Coipa operation received a GE Ecomagination Leadership Award for reduced water use, benefiting one of the most water-stressed areas of

Chile. La Coipa successfully reduced the amount of water used for dust control by nearly two-thirds, while simultaneously reducing dust emissions by more than half. As a result, the mine conserves some 45 million litres of water annually, while also reducing operating expenses and improving overall safety conditions.

As part of our drilling program at Fruta del Norte, we have developed an innovative recirculation and treatment process which allows the drilling team to recirculate more than 70% of the water used for drilling, significantly reducing total water consumption.

Case Study

UNITED WATERS OF ESPALHA CREEK

In August 2009, Kinross' Paracatu operation launched the Espalha Creek Águas que Unem (United Waters) project, a joint initiative with local farmers, governments and universities focused on Espalha Creek in the region of Paracatu. The project aims to promote environmental preservation and improve the hydrologic characteristics of the creek, which 16 local families depend on to supply water for agricultural activities and cattle farming.

Espalha Creek is the most significant tributary to Rico Creek, contributing 80% of the water flowing into Rico Creek, a vital water resource for the city of Paracatu. Since 2007, Kinross has been leading the \$2.5 million Rico Creek rehabilitation program, stabilizing shorelines, re-establishing riverside vegetation and sponsoring the development of adjacent public parklands with playgrounds and sports facilities. Our contributions to improving Espalha Creek's water flow will help enhance environmental conditions along Rico Creek and throughout Paracatu.

The Espalha Creek project is re-establishing the forest areas alongside the creek, constructing 500 small dikes to slow stream flow and creating contours in the land to reduce erosion and increase underground flow. Together, these improved land husbandry initiatives will reduce the rate of runoff and prevent soil erosion. Education programs with the local farmers aim to embed these management practices so that they can maintain the revived springs feeding the creek. Monitoring devices have been installed and a local Kinross



Paracatu employee measures creek flow monthly. These watershed improvements will more than offset the relatively small impact of our Paracatu mine on the upper reaches of Rico Creek. The Paracatu site has invested around \$250,000 in this project.

Case Study

COMMITTED TO WATER QUALITY AT KETTLE RIVER-BUCKHORN

After experiencing unexpected challenges in satisfying stringent water management standards at its new Kettle River-Buckhorn mine, Kinross responded aggressively to address the problem and ensure consistent compliant performance.

The mine obtained 131 permits and licences with multiple terms and conditions before starting operations; in particular, a great deal of work went into anticipating water quality and designing a treatment system for discharge of site rainfall runoff, snowmelt and water collected in the underground mine.

Based on the expected water quality and a review of All Known, Available and Reasonable Methods of Prevention and Treatment Technologies (AKART), an Ion Exchange (IX) Water Treatment Plant was selected as the technology to meet the water quality criteria for discharge.

Almost from the beginning, water quality began to deviate from what had been expected for ammonia and nitrate (present in mine water as the residual of explosives used in the mine), and in July 2008 the Washington State Department of Ecology issued a Notice of Violation for failure to meet the permit limits.

In response, Kettle River-Buckhorn added operators and made other operational adjustments to improve treatment performance, while

requesting state approval for a permit modification to add a pre-treatment step of breakpoint chlorination to remove ammonia. The pre-treatment was installed in July 2009 but did not achieve the desired results, and the state issued another Notice of Violation.

Once again, Kettle River-Buckhorn acted quickly, and as a temporary measure added Reverse Osmosis (RO) in August 2009 to polish the effluent from the Ion Exchange. The effluent immediately began to consistently meet the permit standards, and the plant has maintained 100% compliance since that date. To address a more permanent solution, a blue-ribbon task force of experienced water treatment engineers and environmental professionals was formed. The monitoring data collected to date were analyzed, and the water balance model was updated to account for the observed seasonal variations in rainfall and runoff. The task force prepared a new AKART engineering study, which recommended replacing ion exchange with RO as the primary treatment method. This has been approved by the state, and the temporary RO unit will be replaced with a permanent unit in November 2010.



ADDENDUM:

Just prior to the publication of this report in August 2010, the Kettle River-Buckhorn mine reported that it had notified the Washington State Department of Ecology of alleged irregularities in the operation of the water treatment plant at the mine. The allegations were made by a former employee who claims that, during a limited period in mid-2009, the water treatment plant was operated beyond its design capacity and that proper sampling protocols were not followed. The Company noted that it had not received any allegation of actual environmental harm, nor has there been any allegation of irregularities relating to the plant's current operations.

The Company takes these allegations very seriously and is committed to determining expeditiously whether they have any validity. The Company has retained outside counsel and an environmental engineer to perform a full and independent investigation of the matter. In the event it is determined that the allegations have any validity, the Company will take all appropriate actions to ensure that the matter is resolved.

ENVIRONMENTAL RESPONSIBILITY

SPILLS

Because operations must be capable of handling both storm events as well as ongoing water use in both mining and ore processing, water management systems can be quite complex. For this reason, Kinross requires all operations to maintain accurate predictive water balance models. These models help ensure that facilities are properly designed and managed to accommodate storm and process upsets. In 2008 and 2009, Kinross had no process solution spills that constitute what we call a “major release,” defined as a spill that enters a waterway, leaves the permit area or requires reporting to regulators.

In addition to process solution, Kinross is committed to the prevention and management of accidental spills of fuels or chemicals by our operations and transporters. To highlight the importance of good fuel and chemical management, major releases are considered a negative factor in determining the performance of each operation. While Kinross had no significant spills in 2008, in 2009 there were two fuel spills on the ice road leading to our Kupol operation. The separate incidents involved overturned diesel supply trucks, one Company-owned and one contractor-owned. Both spills were contained and cleaned up and had no significant environmental impact.



AIR EMISSIONS

Dust produced from road travel as well as mining and ore crushing is one of the most significant emissions from our operations and is controlled with surfactants and water sprays, as well as bag houses at point sources. In response to community concerns raised in 2009 at our Paracatu operation, we expanded our dust management program significantly to increase the use of dust surfactants, installed additional water spray systems, reduced the area of active vehicle movement within the mining area during the dry season, when dust is a problem, and improved dust monitoring systems and programs. The result so far has been a marked reduction in community complaints regarding dust.

Other common air emissions are the result of hydrocarbon combustion in trucks and other heavy equipment, mobile generators and other power sources. These emissions are primarily carbon dioxide, a major greenhouse gas (see discussion in [Energy and Climate Change](#) on next page).

In addition, filter presses, kilns, furnaces and other thermal sources have air emissions that are controlled with the use of scrubbers and bag houses. Our routine maintenance of control equipment and regular monitoring ensures that emissions do not impact receptors and remain below permitted limits. An example is our Round Mountain operation, which continued a voluntary program to lower mercury emissions, achieving a 93% reduction in 2009 over 2007 levels to 3.76 kg annually.

A Company-wide assessment of all thermal emission sources was conducted in 2008 to identify opportunities for further reducing metals emissions. While the assessment determined that air emissions are very low at most Kinross operations and represent best management practice, improvements were recommended at our La Coipa operation. Improved maintenance, ventilation systems and practices implemented in 2009 have resulted in significantly lower worker exposure levels and emissions to the environment, with a 97% reduction in 2009 compared to 2006.

ENVIRONMENTAL RESPONSIBILITY

ENERGY AND CLIMATE CHANGE

At Kinross, we recognize that we have both an environmental and an economic imperative to improve energy efficiency and limit greenhouse gas emissions at our operations to the greatest extent practicable. The majority of Kinross' greenhouse gas emissions are associated with imported electricity use (indirect energy use) and diesel fuel used by our haulage fleet (direct energy use).

Growth in production brings with it increased energy demand. We have stepped up our efforts to understand our impact and focus on initiatives to reduce energy consumption and improve energy efficiency wherever possible.

Kinross increased its gold output by approximately 40% in 2008 and 2009 as three new projects started production, and our total energy consumption and CO₂ emissions increased as a result. Direct energy consumption increased by 29% in 2008 and 24% in 2009, while indirect energy consumption increased by 3% in 2008 and 44% in 2009. CO₂ emissions resulting from direct energy consumption increased by 25% in 2008 and 17% in 2009, while emissions resulting from indirect energy consumption increased negligibly in 2008 and by 29% in 2009.

Nevertheless, when calculated against tonnes of ore processed, CO₂, after increasing in 2008, dropped back close to 2007 levels in 2009. While energy use increased during this same period, the reduction in CO₂ reflects our success at increasing the ratio of lower carbon intensive energy types in our total energy usage.

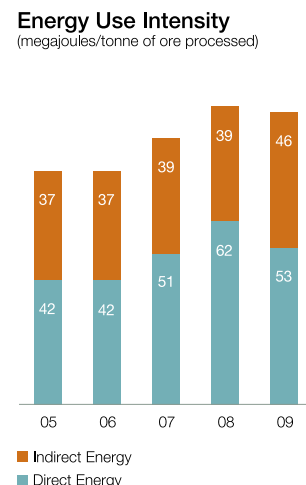
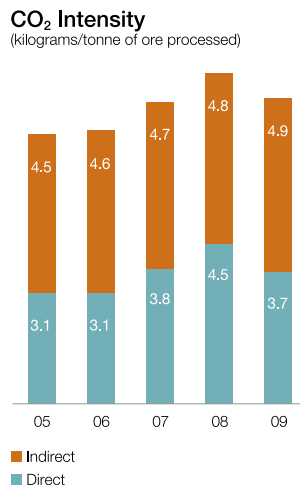
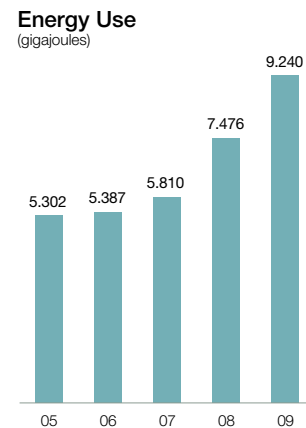
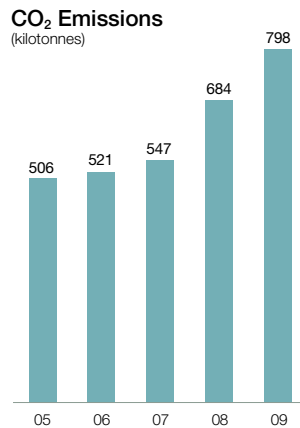
Initiated in 2009, we are continuing with the development of a climate change strategy in 2010 and, as we do so, we

are evaluating the potential impacts of our actions on shareholder value, risk mitigation measures associated with carbon costs, and opportunities to demonstrate leadership. As part of our Enterprise Risk Management process, we are also planning a climate change risk management workshop for 2010 to address potential risks associated with climate change.

In response to the need for greater energy efficiency, and in an effort to monitor and reduce greenhouse gas emissions, we initiated a Global Energy Assessment for all of our operations, which we will complete in the first half of 2010. Through it we have compiled a comprehensive baseline of actual and

potential energy sources at our mines, including wind, geothermal, water and solar, and identified potential energy efficiency projects. This information is informing the development of our carbon use policy and providing direction to our global energy efficiency program.

One example of the results of this program is the improvements made at our Round Mountain mine in Nevada in 2008. Installation of higher efficiency motors and lighting resulted in an annual savings of approximately 1,000 MWh in electric power consumption, an annual greenhouse gas emissions reduction of 500 tonnes CO₂ and annual electrical cost savings of almost \$75,000.



ENVIRONMENTAL RESPONSIBILITY



Other actions we are exploring and implementing include:

Process Efficiency Measures

A number of best practice process initiatives were identified to help sites use energy more efficiently. These included installing more efficient drives on motors, renewing compressed air systems, monitoring tire pressures and managing truck speeds and loads for greater fleet efficiency. The measures are being rolled into our Continuous Improvement framework for prioritization and implementation.

Generation Projects

In 2010, we are assessing micro hydro projects at Maricunga, La Coipa and Round Mountain. Our Kupol operation maximizes the efficiency of its power plant using waste heat from the cooling circuits of its generators to supply electricity in the summer and heat in the winter. Fort Knox and Kupol are converting waste oil into heat energy, a technology that also avoids shipping the waste off-site. Waste oil converter systems are under consideration at Maricunga, La Coipa and Round Mountain.

Alternative and Renewable Energy

Wind energy monitoring stations at Round Mountain and our DeLamar reclamation site, installed in 2008, established that current wind resources are not adequate for development. A wind monitoring mast was installed in 2010 at Kupol to assess the wind resource. We continue to explore the development of alternative energy sources at our reclamation sites, where we have large land holdings and transmission capabilities.

We publicly disclose our greenhouse gas emissions on an annual basis to the Carbon Disclosure Project. For the first time, our 2009 data was verified by an independent third party, a measure that we believe both increases our transparency and supports the accuracy of our business forecasts. To learn more, visit the Carbon Disclosure Project web site at www.cdproject.net.

WASTE MANAGEMENT

Our mining operations produce mineral and non-mineral wastes. Kinross' environmental management standards clearly state corporate expectations for the minimization, reuse, recycling and proper disposal of all wastes.

Non-Mineral Wastes

Non-mineral wastes include spent batteries, fluorescent light bulbs, cupels and crucibles used in the refining process, waste oil and spent solvents. We are continuously seeking ways to reduce waste generation as well as increase the amount of waste we can recycle or reuse. We dispose of materials that cannot be recycled or reused in a manner that is environmentally acceptable, in compliance with regulations and using handling and storage procedures that ensure people and the environment are protected. We have recycling programs at each of our operations, such as the hazardous materials centre established in 2009 at our Maricunga site in Chile to manage fluorescent lights, waste oil, batteries and ink cartridges.

Mineral Wastes

Gold and silver production involves both physical and chemical processes. Residual materials from the production processes are waste rock (rock that does not contain enough mineral to be economically extracted) and tailings (ground rock and residual effluents from chemical extraction processes).

ENVIRONMENTAL RESPONSIBILITY

Waste Rock Management

Upon exposure to air, the newly exposed surfaces of waste rock begin to oxidize. If the rock contains sulfides, the oxidation products when washed away can acidify water and produce what is known as acid rock drainage. Uncontrolled acid rock drainage can have detrimental impacts on water quality and fisheries. Recognizing the risk associated with acid rock drainage, we require each operation to develop management plans to ensure that waste rock facilities are both physically and chemically stable. Regular monitoring and inspection is required to verify that design expectations are being met.

In 2008, we became an active member of the International Network for Acid Prevention (INAP). Through our association with INAP, we are supporting the development of sound technical guidance and standards for the prevention and control of acid mine drainage and are making this guidance available to everyone via the web.

Tailings Management

Tailings are primarily disposed of in storage facilities designed, built, operated and closed to meet regulatory and engineering safety and environmental standards. In addition to requiring an annual inspection of each Kinross tailings facility by a geotechnical engineer, in 2009 we initiated an additional review process led by an external geotechnical expert who reports to senior management at Kinross. This includes review of design, construction, monitoring, operations and closure performance, and provides an additional level of oversight to ensure the stability and safety of these facilities. At mine closure, tailings dams are



decommissioned and reclaimed to increase their long-term stability and ensure that they become a part of the post-mine land use.

Cyanide Management

Since much of the ore that Kinross mines contains highly disseminated low concentrations of gold, the use of aqueous chemical extraction processes is the only economically viable method of extracting the gold from the ore. The most efficient and environmentally safe reagent available for the extraction of gold is cyanide. However, as a hazardous material, the use and management of cyanide require stringent controls at all times, from transportation to disposal.

Recognizing the importance of maintaining the highest standards of cyanide management, Kinross was one of 14 initial signatory companies to the International Cyanide Management Code (Cyanide Code) in 2005. Today, more than 50 gold mining companies and cyanide producers and transporters from around the world are signatories. A voluntary program, the Cyanide Code is

focused on the safe manufacture, transportation, storage, use and decommissioning of cyanide facilities used in the production of gold. It requires on-site verification by an independent third-party auditor for initial certification and every three years thereafter. Status and summary audit reports are posted at www.cyanidecode.org.

Kinross is committed to 100% certification of all our operations under the Cyanide Code. Our Round Mountain site was our first operation to be certified, in 2007. In 2008 and 2009, we completed the certification of our operations at Maricunga, Paracatu, our joint venture at Crixás, Fort Knox, Kettle River-Buckhorn, and Kupol. Maricunga and Kupol were the first mines to achieve certification in Chile and Russia, respectively. We intend to complete the verification process at La Coipa before the end of 2010 with a goal of achieving certification in 2011. To learn more about certification at Kupol, see the case study [Managing Cyanide in Russia](#).

Case Study

MANAGING CYANIDE IN RUSSIA

In December 2009, Kinross' Kupol mine was certified under the International Cyanide Management Code, the first mine in Russia to obtain this certification. Kupol's transportation group was also certified as fully compliant with the Cyanide Code in November, making it the first mine-operated transportation group in the world to be certified. This certification covers the storage and transportation of cyanide from the Port of Pevek facilities to Kupol by way of a 430-kilometre ice road that is built annually to transport supplies to the Kupol site.

Kinross' Kupol certification demonstrates not only its compliance with Russia's extremely stringent regulatory requirements for the use and transportation of cyanide, but confirmation of its management systems and on-the-ground performance, which include regular training and drills for our cyanide response team. The Governor of Chukotka applauded Kinross' leadership in protecting the pristine environment of this northeastern region: "There are a lot of examples when subsoil users, in their pursuit for revenues have caused irrecoverable

harm to the environment, especially in regions with untouched nature, such as Chukotka. It is especially pleasant to note that Kinross Gold, apart from gaining profit, is focused on investing in industrial safety. Certification under the International Code is the best acknowledgment of such efforts." Our hope is that certification of the Kupol operation will raise the profile of the Cyanide Code in Russia and encourage other companies in the Federation to become signatories.



ENVIRONMENTAL RESPONSIBILITY

RECLAMATION AND CLOSURE

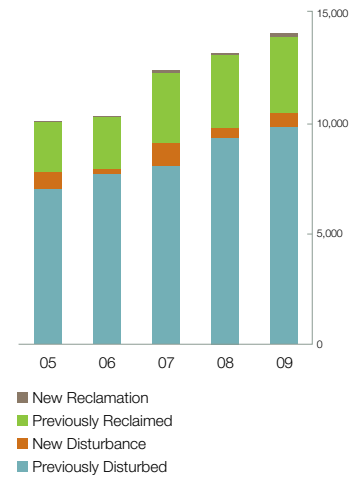
Returning land disturbed by mining to stable and productive post-mining land uses is fundamental to our commitment to prudent and responsible stewardship of the environment. This commitment extends to the complete and safe closure of sites that we have acquired, such as those that were part of the Bema Gold acquisition in 2007.

Kinross requires that areas no longer required for operations be reclaimed in a contemporaneous manner. An example of this in 2009 was at Kettle River-Buckhorn where, even while the Buckhorn mine was being developed, reclamation of the closed Key mill and Lamefoot mine sites was being completed.

Working with our stakeholders, reclamation planning entails an extensive analysis of land use options, environmental questions and often community development concerns and objectives. Closure planning is an integral consideration during initial mine planning and is regularly updated as new information becomes available or mining operations are optimized. Our goal at each site is to minimize our environmental footprint, which includes both limiting the area disturbed by our activities as well as the reclamation of lands when they are no longer required. Our six reclamation sites, DeLamar, Hayden Hill, Mineral Hill, Sunnyside, Champagne and Wind Mountain, are all located in the United States. Our closed DeLamar mine, awarded the U.S. Bureau of Land Management's Hardrock Mineral Environmental Award in 2009, provides a leading example of our reclamation commitment. See the case study, [DeLamar Reclamation Award](#).

Socio-economic issues are also an important consideration for mine closure, and we believe that we are able to achieve successful results through ongoing consultation and involvement with the communities where our mining and reclamation activities are underway. For more on this, please see our discussion in the [Community Section](#) of this report.

Land Status
(hectares)



Case Study

DELAMAR RECLAMATION AWARD

In October 2009, Kinross was presented with the U.S. Bureau of Land Management (BLM) National Hardrock Mineral Environmental Award for its reclamation work at the former DeLamar mine site in southwestern Idaho. This award acknowledges operators with an exceptional track record of meeting or exceeding reclamation requirements.

When operations were suspended in 1998, the DeLamar mine had over seven million cubic metres of water stored in the tailings pond, and almost 170 hectares of disturbed area that generated acid rock drainage. Through a combination of water treatment, pit backfilling, cover placement and other reclamation, today all of the water at DeLamar has been effectively treated and returned to the ecosystem, primarily through a land application process that enhances wildlife habitats

and livestock grazing areas on private lands. A significant amount of work has gone into water management, specifically through the use of an engineered clay cover that is placed over reactive soils so that new rainwater won't penetrate the soil and, instead, can be released as clean storm water back into the environment. The reclamation is expected to be completed in 2012, with water treatment and monitoring continuing for several years beyond that date.



BIODIVERSITY

Protecting the ecosystems in and around our mining operations begins with the development of detailed inventories of the biological communities in the vicinity, followed by an assessment of how Kinross' activities can be designed to have minimal impact. Our assessment process is carried out in consultation with local stakeholders – governments, NGOs, indigenous peoples and other community members – who can best help us understand and protect local ecosystems. See the case study, [Protecting Biodiversity in Ecuador](#).

Throughout the life of our operations, we monitor the ecosystems to ensure that our impacts are minimal. Where impacts are unavoidable, we take steps to mitigate those impacts. An example is at our closed Hayden Hill operation, which agreed to preserve and improve habitat adjacent to the mine in 1991. Closed in 2001, Hayden Hill managed these lands until 2009, when ownership of 306 hectares was transferred to the U.S. government.

An important component of our commitment to sustainable development is the improvement of ecosystems

around our mining operations. In 2009, our Paracatu operation in Brazil completed restoration of 87 hectares historically impacted by artisanal miners on Rico Creek downstream from today's operations. Our Maricunga operation continues to assist Chile's National Forestry Service (CONAF) to support the conservation of high Andean wetlands and wildlife management plans at the nearby Laguna del Negro Francisco National Park and nature reserve.

Case Study

PROTECTING BIODIVERSITY IN ECUADOR

Kinross' Fruta del Norte project is located in the Ecuadorian Amazon Region of the province of Zamora-Chinchipec, along the Ecuadorian-Peruvian border. Ecuador is home to one of the world's most diverse populations of animals and plants per square kilometre, and protecting biodiversity in the region is a vitally important element of Kinross' environmental management system, which guides the project's exploration and development.

In partnership with the Ecuadorian Ministry of the Environment (MOE) and experts from local universities and NGOs, we are gathering baseline information in the 3,700-hectare El Zarza Wildlife Refuge, located less than five kilometres southwest from Fruta del Norte, which is part of a network of protected areas established by the government of Ecuador in the Cordillera del Cóndor, the mountain range along the Ecuadorian-Peruvian border. The MOE will build on the studies to develop an environmental management plan for the refuge.

Through our network of consultants, we are working with the Missouri Botanical Garden, a St. Louis-based

conservation institution that has been cataloguing Ecuador's abundant plant life for more than two decades. Since 2008, researchers from the institute have discovered several new species of flora on several of our mining concessions. In 2009, we initiated a monitoring study with Simbioie Foundation, an Ecuadorian research group that conducts biodiversity studies, to determine how informal mining activities are impacting local fish populations, using state-of-the-art measurement techniques. Our goal is to use the information gathered from these studies to measure and minimize the future impact of our operations.



TAKING RESPONSIBILITY

CONTACT INFORMATION

General

Kinross Gold Corporation
25 York Street, 17th Floor
Toronto, Ontario, Canada M5J 2V5
Web site: www.kinross.com
Telephone: 416-365-5123
Toll-free: 1-866-561-3636
Facsimile: 416-363-6622
E-mail: info@kinross.com

James Crossland,
Executive Vice-President,
External Relations and
Corporate Responsibility
Telephone: 416-365-3069
E-mail: James.Crossland@kinross.com

Ed Opitz, Vice-President,
Corporate Responsibility
Telephone: 416-369-6476
E-mail: Ed.Opitz@kinross.com

Steve Mitchell, Vice-President,
Corporate Communications
Telephone: 416-365-2726
E-mail: Steve.Mitchell@kinross.com

Publications

To obtain copies of Kinross' publications, please visit our corporate web site at www.kinross.com, or contact us by e-mail at info@kinross.com or call 1-866-561-3636.

Feedback

Kinross welcomes your feedback regarding our 2009 Corporate Responsibility Report. To provide us with your comments, please visit our report online at <http://takingresponsibility2009.kinross.com> and click on [Feedback](#).

Cautionary Statement on Forward-Looking Information

All statements, other than statements of historical fact, contained or incorporated by reference in this report, including any information as to the future performance of Kinross, constitute "forward-looking statements" within the meaning of applicable securities laws, including the provisions of the Securities Act (Ontario) and the provisions for "safe harbour" under the United States Private Securities Litigation Reform Act of 1995 and are based on expectations, estimates and projections as of the date of this report. Forward-looking statements include, without limitation, possible or future events, statements with respect to possible or future events, estimations and the realization of such estimates (including but not limited to associated timing, amounts and costs), expected expenditures and activities, timelines, currency fluctuations, requirements for additional capital, government regulation, environmental risks, unanticipated reclamation expenses, and title disputes or claims. The words "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "target", "intends", "anticipates", or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "should", "might", or "will be taken", "occur" or "be achieved" and similar expressions identify forward-looking statements.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Kinross as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Many of these uncertainties and contingencies can affect, and could cause, Kinross' actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, Kinross. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. All of the forward-looking statements made in this report are qualified by these cautionary statements, and those made in the "Risk Factors" section of our most recently filed Annual Information Form and 40-F, and our other filings with the securities regulators of Canada and the U.S. These factors are not intended to represent a complete list of the factors that could affect Kinross. Kinross disclaims any intention or obligation to update or revise any forward-looking statements or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

Other information

Where we say "we", "us", "our", the "Company", or "Kinross" in this report, we mean Kinross Gold Corporation and/or one or more or all of its subsidiaries, as may be applicable.

