

Responsible Mining at Chirano

Case Study

Road Maintenance Contributes to Growth and Employment

- Road maintenance reduces dust in the dry season and ensures access in the rainy season
- Good roads allow local farmers to get their crops to market, and provides access to schools and health care for the local population
- Chirano has worked to re-shape and re-grade access roads, fix culverts, and ensure regular dust suppression with water trucks
- Since 2012, more than \$2 million has been invested in road maintenance
- In the 2017 perception study, over 97% of respondents acknowledged the positive contribution of Chirano to improving area roads and reducing travel times
- Members of the local transport union noted an increase in the number of passengers, year-round use, lower vehicle maintenance costs, and a rise in their incomes
- Ultimately, improved roads have contributed to economic growth and employment levels in the area around Chirano

Empowering Local Women and Students

- The Chirano Women's Club is dedicated to empowering women through support, advice, and mentorship
- The club is made up of approximately 180 women, including employees and contractors at Chirano, and women and students from the local community
- Women and students are encouraged to advance their skills and ideas, discuss women's health issues and further establish their independence
- Local children are mentored and encouraged to pursue their education
- Through Kinross' donation of meeting space, transportation and human resources, and the commitment of the leaders of the Chirano Women's Club, local children will continue to be encouraged to pursue their dreams

(Watch: Improving the Lives of Women and Children in West Africa)



KINROSS Chirano

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Responsible Mining at Chirano

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2017 Socio-Economic in Ghana

-  **1,061** employees
-  **\$53.1 million** wages and benefits paid
-  **\$154.5 million** spent on goods and services
-  **\$30.2 million** in payments to governments
-  **212,500** beneficiaries of community programs

Awards

- At the Ghana Mining Industry Awards, held by the Ghana Chamber of Mines, Chirano received awards for:
- Best Mine Team for Safety & First Aid
 - Best Mine Safety & First Aid Team Manager
 - Best Improved Mine
 - Third Best Mine based on Occupational Injury Statistics
 - Third Best Mine Based on Health, Safety and Environmental Audit

Key Highlights

- Contributed to improvements in health-care resources and infrastructure by working in partnership with Ghana Health Services to build clinics in each of the communities within the catchment
- Partnership with Project C.U.R.E. has helped provide these facilities with life-saving medical equipment
- Implemented numerous healthcare and disease prevention initiatives including cervical cancer screenings, eye-test screenings and midwife training, among others
- The Chirano Malaria Control Program (CMCP) has led to an **88% reduction of malaria incident** rates among employees, dependents and on-site contractors
 - 45% reduction rate in malaria in the nine beneficiary communities surrounding the mine
 - To date, \$8.4 million has been invested in malaria control
- Invested in road maintenance and 97% of respondents to a 2017 Perception Study, acknowledged the positive contribution of Chirano to improving the roads'
- Collaborated with Ghana education service to fund extra classes for students and support for teachers with 100% of students obtaining scores allowing them to continue to senior high school versus 80% in schools in the region not involved in this program
- Enhanced access to potable water in the Akoti/Etwebo and Paboase communities that surround the mine with 93% of people having access to pipe-borne or borehole water
- Developed a Social Closure Plan with community members to seek input, discuss post-mine land use options and ensure action plan considers the community concerns

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Our Approach

Corporate Responsibility is engrained in our core business and every facet of our operations at Kinross

Being protective of our environment

we work to protect our workforce, environment and host communities from negative impacts

Making a positive contribution

we aim to provide meaningful livelihoods for employees, opportunities for suppliers and improvements in our host communities

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Acting ethically and transparently

we operate with respect for human rights and we engage with our stakeholders

Continuous improvement

we strive to improve our approach to corporate responsibility practices

Putting People First: Health & Safety

- Occupational Illness Frequency Rate (OIFR) in 2016 and 2017 for employees was 0.01 and 0.03 respectively
- Leveraging this track record to focus on preventing serious injuries and fatalities through programs such as Critical Controls
- Safety efforts recognized with our US sites receiving CORESafety certification from the National Mining Association

0.32 TRIFR for employees and contractors

0.07 Lost-Time Injury frequency rate for employees and contractors

88% reduction in malaria rates at Chirano mine in Ghana

Managing Our Environmental Footprint

- Complied with hundreds of permits and thousands of obligations
- Safely managed large volumes of chemicals and fuel, with one reportable spill
- Total usage of water, energy, and greenhouse gas emissions decreased
- Zero waste geotechnical issues at 10 active and 13 closed sites
- Strengthened tailings management through independent experts
- Maintained cyanide code certification for all sites around the world
- Low carbon footprint: among the lowest in comparison with peers

100% of Kinross sites assessed for biodiversity related risks

100% of sites with biological resource management plans

82% of water from operations recycled

Empowering Local Communities

Our community contributions target measurable social outcomes, such as:

- Better test scores in schools we support in Brazil and Ghana
- Improved adult literacy near Tasiast in Mauritania and La Coipa in Chile
- Community-led dialogue on community sustainability at Round Mountain and Kettle-River Buckhorn in the U.S.
- Improved sense of community belonging through cultural programs in Chile and Brazil

112,000 stakeholder interactions

More than **850,000** beneficiaries from community programs

\$10 million in community programs and donations

Generating Socio-Economic Value

- Consistent operating performance and financial strength sustain long-term benefits to communities
- Overall benefit footprint of \$2.8 billion:
 - 70% procurement
 - 20% wages & benefits
 - 10% payments to governments
- 79% of total procurement sourced in-host countries, spending \$2 billion with more than 3,600 local suppliers
- 23% of benefit footprint (\$800 million) spent in local areas around mine sites

\$369.9 million paid to governments (taxes, royalties, duties)

\$2.8 billion spent in host countries

97.7% of employees are hired from in-country

Engaging Our Workforce

- Promoted employee development through our core values, 8 new People Commitments, a leadership development model, and Kinross University
- Board of Directors 33% female
- Launched Kinross University, an online platform dedicated to advancing employee development and leadership skills
- Low turnover rate
- Labour rights collective bargaining

17% of women in management

~ **8,849** full-time global employees

36 hours of annual training per employee (average)

Kinross has linked business performance to the UN's Sustainable Development Goals prioritizing:

(See page 15 in Corporate Responsibility Report)



About Kinross Gold Corporation

Kinross is a Canadian-based senior gold mining company with mines and projects in the United States, Brazil, Russia, Mauritania, Chile, and Ghana. Kinross' focus is on delivering value based on the core principles of operational excellence, balance sheet strength, disciplined growth and responsible mining. Kinross maintains listings on the Toronto Stock Exchange (symbol: K) and the New York Stock Exchange (symbol: KGC).