

# 2010 UN GLOBAL COMPACT COMMUNICATION ON PROGRESS

Kinross Gold Corporation became a participant in the UN Global Compact in March 2010. This Communication on Progress is Kinross' first opportunity to report against the principles and standards of the UN Global Compact. Kinross also publishes a comprehensive GRI-based corporate responsibility report every two years, which documents our commitments, corporate responsibility strategy and performance at our operations and development projects across a broader range of areas including social, workplace, community, human rights and environmental performance. Our most recent report was published online in 2010 at [www.takingresponsibility2009.kinross.com](http://www.takingresponsibility2009.kinross.com)

**KINROSS**

# KINROSS GOLD CORPORATION COMMUNICATION ON PROGRESS

Dear Mr. Secretary General,

In 2010, Kinross became a signatory to the United Nations Global Compact, and formalized its commitment to furthering the UNGC principles. I am pleased to submit our first Communication on Progress.

Corporate responsibility is explicit in Kinross' 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.

In 2010, we took important steps towards advancing our commitment to the UN Global Compact principles at a corporate level and across our global operations. We were proud to have been listed on the Dow Jones Sustainability Index North America for the first time, and to continue to be listed on the Jantzi Social Index.

As we expanded our operations into the new region of West Africa with our acquisition of Red Back Mining in 2010, we also took on new challenges – and opportunities – in the area of corporate responsibility. This will be a major focus for Kinross going forward.

In 2010 we issued our first online Corporate Responsibility report at <http://takingresponsibility2009.kinross.com>, reporting to a GRI “A” level. We suggest that the Communication on Progress be read in conjunction with this report.

We will be continuing our efforts to advance the UNGC Principles in 2011, and look forward to reporting on our progress again next year.

Sincerely,



Tye W. Burt  
President and Chief Executive Officer

# HUMAN RIGHTS

- PRINCIPLE 1: Businesses should support and respect the protection of internationally proclaimed human rights.
- PRINCIPLE 2: Businesses should make sure they are not complicit in human rights abuses.
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## KINROSS FRAMEWORK

Kinross is committed to the protection of human rights in the community and in the workplace in accordance with the Universal Declaration of Human Rights. This commitment is enshrined in our Code of Business Conduct and Ethics and in Kinross' Ten Guiding Principles for Corporate Responsibility, which states that *"We conduct all of our activities in accordance with accepted standards in the protection and promotion of human rights"* and *"We respect the culture and historical perspectives and rights of those affected by our operations, in particular indigenous peoples."*

Our Whistleblower Policy also provides employees and the public with a confidential mechanism to report any human rights concerns. Kinross also supports the Voluntary Principles on Security and Human Rights.

## ACTIONS AND ACHIEVEMENTS

- Rolled out a Human Rights Adherence and Verification Program (HRA & VP) that aligns directly with the objectives of the United Nations Human Rights Council and the Voluntary Principles on Security and Human Rights.
- Completed HRA & VP training at all Kinross sites.
- Developed a corporate policy on Indigenous People that recognizes the unique histories, languages, cultures, knowledge, traditions and values and their contribution to cultural and social diversity in countries in which they have a presence.
- Developed Supplier Guidelines articulating Kinross' expectations for supplier conduct with respect to human rights in accordance with the principles of the UNGC.

# LABOUR STANDARDS

- PRINCIPLE 3: Businesses should uphold freedom of association and effective recognition of the right to collective bargaining.
- PRINCIPLE 4: Businesses should support the elimination of all forms of forced and compulsory labour.
- PRINCIPLE 5: Businesses should support the effective abolition of child labour.
- PRINCIPLE 6: Businesses should support the elimination of discrimination in respect of employment and occupation.

## KINROSS FRAMEWORK

“Putting people first” is one of Kinross’ four core values. Our commitment to high workplace standards is enshrined in Kinross’ Ten Principles for Corporate Responsibility, which states that *“We put people first and our number one priority is the safety of every employee”* and *“We provide a rewarding and meaningful livelihood to our employees and strive to be an employer of choice.”* Kinross honours these commitments with policies and programs that promote a safe, healthy and engaged workforce. Kinross’ Health and Safety Policy (H&S Policy) and Kinross’ Environmental, Health and Safety Management System (EHS) modelled on ISO 14001 OHSAS 18001 provide a foundation of policies and guidance to ensure a safe and healthy workplace at our operations and projects.

Kinross supports international labour standards. At our operations and development projects, we operate in a manner that is consistent with the core standards of the International Labour Organization. We uphold the principle of freedom of association whereby our employees have the right to choose whether or not they want to belong to a union. Our Code of Business Conduct and Ethics enshrines the principles of fairness and non-discrimination for the Company, its directors, officers and employees and contractors (“Kinross personnel”). Kinross developed Supplier Guidelines articulating Kinross’ expectations for supplier conduct with respect to human rights in accordance with the principles of the UN Global Compact. Our Whistleblower Policy provides Kinross personnel and the public with a confidential mechanism to report, among other things, any human rights concerns.

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# LABOUR STANDARDS (CONT)

## ACTIONS AND ACHIEVEMENTS

- Supported employee and worker organizations at our operations and honoured collective agreements where they exist at our operations. Successfully negotiated a new four year labour agreement at our Maricunga mine in Chile.
- Ensured freedom from discrimination and equal opportunity for employees, prospective employees and contractors at our operations and development projects.
- In the workplace and community, continued to uphold the principles of non-discrimination on the basis of race, colour, gender, religion, political opinion, sexual orientation, nationality or social origin.
- Reviewed and updated corporate Health and Safety Policy, further integrating health and safety as part of Kinross' Corporate Responsibility Management System and articulating Kinross' commitment to achieving excellence in health and safety performance.
- Achieved 4,000,000 hours worked or four consecutive years without a lost-time incident at Kinross' Fort Knox mine located in Alaska, United States.
- Kinross' Chirano Gold Mine, located in Ghana, received the National Safety and First Aid Competition Award.
- Completed annual acknowledgement and certification of compliance with the Code of Business Conduct and Ethics by employees and an annual and quarterly acknowledgement and certification of compliance with the Code of Business Conduct and Ethics, Whistleblower Policy and Disclosure, Confidentiality and Insider Trading Policy by senior management.
- Developed Supplier Guidelines articulating Kinross' expectations for supplier conduct in accordance with the labour standards of the UN Global Compact.
- Did not employ children under the age of 18 any Kinross operations or development projects. Apprenticeship programs are offered for youth ages 16 to 18 in Brazil as part of a legislated training program.

# ENVIRONMENT

- PRINCIPLE 7: Businesses should support the precautionary approach to environmental challenges.
- PRINCIPLE 8: Businesses should undertake initiatives to promote greater environmental responsibility.
- PRINCIPLE 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.
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## KINROSS FRAMEWORK

At Kinross, maintaining high standards of environmental accountability is a cornerstone of our commitment to corporate responsibility. This commitment is enshrined in our Ten Guiding Principles for Corporate Responsibility, which state that *“We exercise utmost vigilance in protecting the environment and seek ways to minimize our environmental footprint wherever we operate. We will always meet, and where possible exceed, regulatory requirements in our environmental performance”* and *“We consider all aspects of an operation or new project—including social, environmental, and post-closure issues—in making our investment decisions”*. Our Environmental Policy sets the standards for our environmental commitment. Kinross’ Environmental, Health and Safety Management System (EHS) 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. Through the EHS Management System we set targets and performance standards that our operations and development projects worldwide are expected to meet. Kinross is also committed to 100% certification of all of our operations under the International Cyanide Management Code.

## ACTIONS AND ACHIEVEMENTS

- Reviewed and updated corporate Environmental Policy further integrating environmental performance as part of Kinross’ Corporate Responsibility Management System and articulating Kinross’ commitment to excellence in environmental performance.
- Completed independent technical reviews of tailings storage facilities at Paracatu, Kettle-River Buckhorn, U.S.A., Round Mountain, U.S.A. and Crixás, Brazil to assure management of performance, hazard management and corrective action verification.

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# ENVIRONMENT (CONT)

## ACTIONS AND ACHIEVEMENTS

- Completed an engineering risk assessment of process solution systems at Fort Knox, U.S.A. to reduce systems failure risks.
- Expanded the EHS Management System to provide our sites with additional guidance in the area of air emissions controls.
- La Coipa was audited for Cyanide Code certification – certification is anticipated in 2011.
- Recertified Round Mountain to the Cyanide Code. Six out of nine Kinross managed operations are now certified.
- Received a GE Ecomagination Leadership Award at the La Coipa, Chile operation for reduced water use, benefitting one of the most water-stressed areas of Chile.
- Announced the Kinross Gold Chair in Environmental Governance at the University of Guelph, funded by a \$1 million contribution to the University of Guelph's **BetterPlanet Project**.
- Continued to support the Kinross Professorship in Mining and Sustainability in partnership with the Department of Mining Engineering at Queen's University in Kingston, Ontario.
- Published "A" level 2010 Corporate Responsibility Report providing a transparent, GRI-compliant account of Kinross corporate responsibility performance for 2008 and 2009.
- Developed and implemented improved environmental standards in tailings management.
- Advanced the consideration of a Kinross-wide climate change strategy and program.
- Assessed alternative, renewable and energy generation projects at all sites including wind energy monitoring at Kupol, alternative energy projects at our reclamation sites, and micro-hydro projects at operations in Chile and Round Mountain in the United States.
- Continued to support and participate in the International Network for Acid Prevention, the International Cyanide Management Code and the Carbon Disclosure Project.

# ANTI-CORRUPTION

**PRINCIPLE 10:** Businesses should work against corruption in all its forms, including extortion and bribery.

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## **KINROSS FRAMEWORK**

Kinross' Code of Business Conduct and Ethics provides a framework for its directors, officers, employees and contractors outlining the company's expectations pertaining to bribery and anti-corruption. Kinross' Whistleblower Policy provides employees and non-employees with a mechanism to confidentially report any concerns relating to, among other things, bribery and corruption. Kinross' Ten Guiding Principles for Corporate Responsibility also underscore Kinross' commitment to the highest standards of ethics and honesty and state *"We maintain the highest standards of corporate governance, ethics and honesty in all of our dealings, and operate in compliance with the law wherever we work."* Under the terms of Kinross' Corporate Donation and Sponsorship Policy political contributions are permitted in accordance with national laws where Kinross has operations and development projects.

## **ACTIONS AND ACHIEVEMENTS**

- Completed annual employee acknowledgement and certification of compliance with the Code of Business Conduct and Ethics.
- Completed annual and quarterly acknowledgement and certification of compliance with the Code of Business Conduct and Ethics, Whistleblower Policy and Disclosure, Confidentiality and Insider Trader Policy, by the Senior Leadership Team and their direct reports, including the corporate legal team and regional General Counsels.
- Developed Supplier Guidelines articulating Kinross' expectations for supplier conduct in accordance with applicable anti-corruption laws and the principles of the UN Global Compact.
- Approved a new Corporate Donations and Sponsorship policy outlining the requirements and restrictions regarding political contributions.
- In early 2011, applied to become a participant in the Extractive Industries Transparency Initiative to promote revenue transparency at the local level in countries where we operate.