

# Local Benefit and Community Development

Generating Socio-Economic Value



## Our Responsibility

Across Kinross, we have a responsibility to operate in a manner that brings social and economic benefits to the host countries and communities where we have a presence. We meet this obligation by providing decent employment, paying our taxes and other government contributions, using local suppliers of goods and services, and providing economic development opportunities for local communities. At Kinross we call these financial flows to host countries and communities, employees and suppliers, our “benefit footprint.”

We believe that a responsibly managed mining operation will lead to positive community development outcomes, measured through improved well-being, defined as “the various evaluations, positive and negative, that people make of their lives, and the affective reaction of people to their experiences.” (World Health Organization).

## Our Commitment

Kinross is committed to generating shared value for our shareholders, our employees and host countries and communities. By maintaining our financial strength, and meeting the expectations and commitments set out in our [Safety and Sustainability Policy](#), we can bring positive economic benefits to our stakeholders. In keeping with this Policy, and our duties as a responsible mining company, we are committed to openness and transparency in our reporting on our benefit footprint.

We are committed to a participative and collaborative process with local communities and other stakeholders within the framework of a long-term relationship, allowing us to understand and support the community’s development priorities.

Our support of the **World Gold Council’s Responsible Gold Mining Principles – Principles 1, 3 and 7**, reinforces our commitment to shared value outcomes through our benefit footprint including taxes paid, business and economic opportunities for local communities, local employment, and community investment.

Responsible Gold Mining Principle	
<div>1. Ethical conduct</div>	1.5 Transparency 1.6 Taxes and transfer pricing 1.7 Accountabilities and reporting
<div>3. Supply chain</div>	3.1 Supply Chain Policy 3.2 Local procurement
<div>7. Working with communities</div>	7.1 Community consultation 7.2 Understanding communities

## Our Approach

For Kinross, generating shared value consists of two complementary strategies. First, by maximizing the financial value generated through rigorous financial discipline and a high-performance operating culture. Second, through careful planning of our recruitment, procurement and community investment activities to ensure host countries and communities benefit from that value. This approach is grounded in our Social Performance Management System, which emphasizes the efforts of all functional areas in the company.

Our goal is to maximize the economic value of our business which, in turn, generates social and economic benefits in host countries through job creation, procurement and taxes. Through these direct benefits, the wealth generated from our mining activities helps to reduce poverty, sustain strong communities and contributes to improved well-being and prosperity where we operate.

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Measuring the positive social and economic benefits generated during and over the life of the mine depends on the following sources of data:

- Figure 1: Approach to Social Investment**
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graph TD; A[UNDERSTAND THE CONTEXT  
(stakeholders, our business)] --> B[SOCIAL INVESTMENT STRATEGY  
(life of mine, annual plan, budget, resources)]; B --> C[PROGRAM OUTPUTS  
(e.g., people trained, infrastructure completed, etc.)]; C --> D[IMPACT ON THE GLOBAL GOALS  
(SDGs and sub-goals)]; D --> E[SOCIAL OUTCOMES  
(change in development KPIs)]; E --> F[IMPACT ON WELL-BEING  
(measured through perception surveys)]; F --> A;
```
- The diagram illustrates a cyclical approach to social investment, consisting of six interconnected steps:
- UNDERSTAND THE CONTEXT** (stakeholders, our business)
  - SOCIAL INVESTMENT STRATEGY** (life of mine, annual plan, budget, resources)
  - PROGRAM OUTPUTS** (e.g., people trained, infrastructure completed, etc.)
  - IMPACT ON THE GLOBAL GOALS** (SDGs and sub-goals)
  - SOCIAL OUTCOMES** (change in development KPIs)
  - IMPACT ON WELL-BEING** (measured through perception surveys)
- The process flows from step 1 to step 2, then to step 3, step 4, step 5, step 6, and finally back to step 1, forming a continuous cycle.

## Accountability and Reporting

We provide data from our benefit footprint report to industry associations such as the World Gold Council and Mining Association of Canada, which produce their own reports on the contributions of their collective membership to host country economies. Benefit footprint and local development performance and initiatives are also reported annually in our Sustainability Report.

Matters pertaining to the benefit footprint and local development fall within our Social Performance Management System (SPMS) and as such are the functional responsibility of the Vice-President, Community Relations and ESG, reporting to the Senior Vice- President, External Relations who has management responsibility. Oversight and governance is the responsibility of the Corporate Responsibility and Technical Committee of the Board of Directors.

**To learn more about our benefit footprint, see our most recent [Sustainability Report](#).**