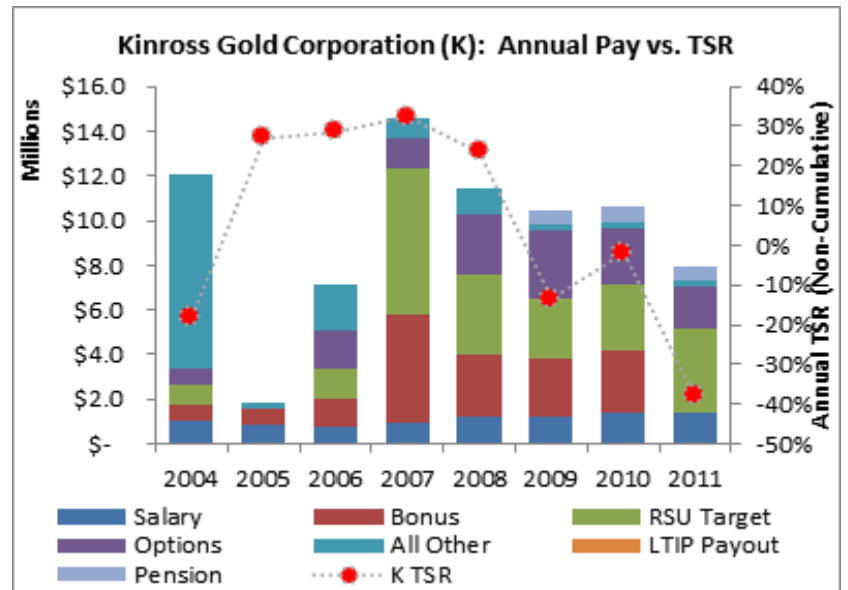
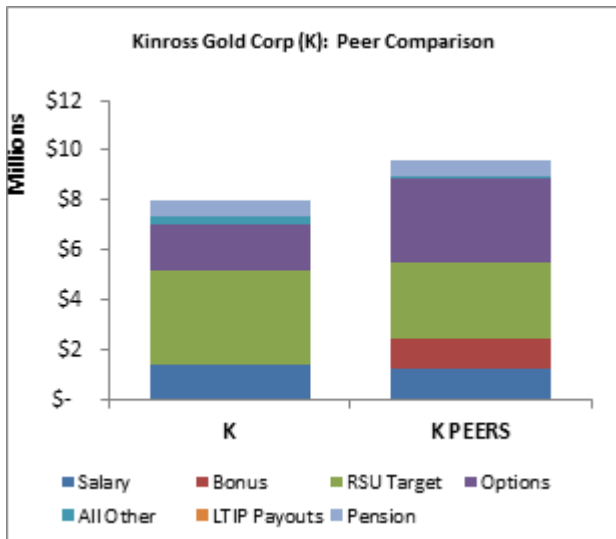


Kinross Gold Corp (K): 2004-2011 Pay for Performance

PAY FOR PERFORMANCE SCORE				
1 YEAR = 2	4 YEAR = 2	6 YEAR = 1	8 YEAR = 10	TOTAL: 15/24

Since Mr. Burt's appointment as CEO in 2005, his pay has ranged from less than \$2m (2005) to more than \$14m (2007), with each of the past 4 years falling between \$8m and \$12m. **In our 8-year observation, pay and performance have tracked very closely despite this volatility. However, our 4- and 6-year observations, which are generally not very closely-aligned, suggest that the longer-term alignment may not be by design.**

K's share price has not recovered since the 2008 crisis. In 2008, K's TSR of -38% ranked 10th out of 11 peers, while ROE and ROA ranked 8th and 9th respectively. As a result of this poor performance, TSR in particular, Mr. Burt declined any bonus payouts in 2011. As a result, K's short-term year-over-year pay/performance alignment was quite strong.



COMPANY'S DISCLOSED PEER FIRMS	
TICKER	NAME
TSE:G	Goldcorp Inc.
TSE:ABX	Barrick Gold Corporation
NYSE:NEM	Newmont Mining Corporation
TSE:YRI	Yamana Gold Inc
TSE:AEM	Agnico-Eagle Mines Limited
ASX:PRU	Perseus Mining Limited
TSE:FNV	Franco-Nevada Corporation
TSE:ELD	Eldorado Gold Corporation
TSE:NGQ	NGEx Resources Inc.
TSE:TNX	Tanzanian Royalty Exploration Corp

FY 2011 FINANCIAL PERFORMANCE RANKINGS						
#	PEER	TSR	PEER	ROE	PEER	ROA
1	TSE:NGQ	94.2%	TSE:ABX	18.6%	TSE:ABX	8.9%
2	TSE:YRI	19.0%	ASX:PRU	11.2%	TSE:ELD	7.8%
3	TSE:FNV	17.8%	TSE:ELD	9.5%	TSE:G	6.2%
4	TSE:G	-0.6%	TSE:G	8.5%	TSE:YRI	5.0%
5	NYSE:NEM	-0.7%	TSE:YRI	7.1%	NYSE:NEM	1.4%
6	TSE:TNX	-3.1%	NYSE:NEM	2.8%	ASX:PRU	0.6%
7	ASX:PRU	-12.1%	TSE:FNV	-0.2%	TSE:FNV	-0.2%
8	TSE:ABX	-12.2%	TSE:K	-16.2%	TSE:AEM	-10.9%
9	TSE:ELD	-23.8%	TSE:TNX	-16.3%	TSE:K	-12.2%
10	TSE:K	-38.1%	TSE:AEM	-17.2%	TSE:TNX	-15.0%
11	TSE:AEM	-51.1%	TSE:NGQ	-36.1%	TSE:NGQ	-30.8%

CEO COMPENSATION RANKINGS AGAINST COMPANY'S DISCLOSED PEER FIRMS										
	PEER	TOTAL PAY	PEER	SALARY	PEER	BONUS	PEER	TOTAL CASH	PEER	TOTAL EQUITY
1	TSE:G	\$12,300,354	TSE:YRI	\$4,310,636	TSE:ELD	\$3,640,000	TSE:ELD	\$5,040,000	TSE:AEM	\$8,666,400
2	TSE:AEM	\$11,528,047	TSE:ABX	\$1,639,949	TSE:ABX	\$2,295,928	TSE:YRI	\$4,410,960	TSE:G	\$8,635,620
3	TSE:ELD	\$11,122,090	TSE:K	\$1,420,000	TSE:G	\$1,616,023	TSE:ABX	\$3,935,877	NYSE:NEM	\$6,453,222
4	NYSE:NEM	\$9,843,662	TSE:G	\$1,400,067	TSE:AEM	\$1,197,000	TSE:G	\$3,016,090	TSE:K	\$5,605,919
5	TSE:K	\$7,984,618	TSE:ELD	\$1,400,000	TSE:FNV	\$725,465	TSE:AEM	\$2,457,000	TSE:ELD	\$5,147,223
6	TSE:ABX	\$6,936,438	TSE:AEM	\$1,260,000	NYSE:NEM	\$639,804	NYSE:NEM	\$1,777,234	TSE:ABX	\$2,272,493
7	TSE:YRI	\$4,511,284	NYSE:NEM	\$1,137,430	TSE:NGQ	\$250,000	TSE:K	\$1,420,000	TSE:NGQ	\$668,780
8	TSE:FNV	\$1,642,540	ASX:PRU	\$586,845	ASX:PRU	\$100,784	TSE:FNV	\$1,175,754	TSE:FNV	\$450,033
9	TSE:NGQ	\$1,221,280	TSE:FNV	\$450,289	TSE:YRI	\$100,324	ASX:PRU	\$687,629	TSE:YRI	\$0
10	ASX:PRU	\$712,629	TSE:NGQ	\$302,500	TSE:K	\$0	TSE:NGQ	\$552,500	ASX:PRU	\$0
11	TSE:TNX	\$22,459	TSE:TNX	\$22,459	TSE:TNX	\$0	TSE:TNX	\$22,459	TSE:TNX	\$0

PAY FOR PERFORMANCE SCORING

For 2012, the Clarkson Centre for Board Effectiveness (CCBE), prepared a Pay for Performance report for each firm currently listed on the TSX 60 Index that has at least 8 years of historical compensation or share price data available. The CCBE's Performance Score measures how closely CEO pay and TSR are aligned over four different time horizons. Compensation data is gathered from the firm's public filings, and valued at the time of grant. Options are valued using the binomial tree fair value method, and PSUs are valued at the grant date value of the target payout. TSR is calculated using a 30-day average start and end date share price, and assumes the reinvestment of dividends.

CCBE collected pay and performance data for up to ten peer companies for each TSX 60 constituent. Peer companies were selected from each TSX 60 constituent's performance benchmarking peer group, as disclosed in its most recent Management Information Circular. If a performance peer group was not disclosed, the CCBE collected information on the disclosed constituents of the total pay benchmarking peer group. If a peer group had more than 10 constituents, we randomly selected ten from among the disclosed list.

Our Pay for Performance Score takes into account alignment between change in CEO pay and TSR in 1-, 4-, 6- and 8-year observations. CEO pay change is 'smoothed' to account for outlying years. For example, in our 8-year observation we calculate CEO pay change as the percent change of the sum of total CEO pay from 2004-2007 against the sum of total CEO pay from 2008-2011. This helps to normalize our longer observations for unusual events like CEO turnover and large one-time payouts. The Pay for Performance Score gives significantly more weight to longer-term observations than shorter ones.

1-YEAR SCORE	4-YEAR SCORE	6-YEAR SCORE	8-YEAR SCORE
A = 3	A = 4	A = 7	A = 10
B = 3	B = 3	B = 5	B = 8
C = 2	C = 2	C = 3	C = 5
D = 1	D = 1	D = 1	D = 3
E = 0	E = 0	E = 0	E = 0

