



Environmental Performance



Safety Record



Community Support



Financial Results



STRONG

Full Report

www.cameco.com/sustainable_development/2014

Feedback?

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Strength in

depth

Executive Summary

2014 Sustainable
Development Report



CEO Message

If you ask people what they want to achieve with their life, you'll get a lot of different answers. Those answers will all likely have one thing in common—at their core, they'll be about making the world a better place. Cameco is made up of those people. That's why sustainability is so important to us and why it runs so deep in our company culture. We want to create safe, healthy workplaces for each other. We want a clean environment for our children. We want to contribute to strong, vibrant communities. We want good jobs for years to come and we want to help provide, safe, clean, reliable energy to the world. For us, sustainability isn't an add-on for our company; it's at the heart of who we are, and how we want the world to be.

And it's important that we have that big picture perspective because we live in a world that's facing considerable challenges. We have a global population of about 7 billion people, which is expected to grow to 9 billion by 2050. More than a quarter of people today have little or no access to electricity. There is a real and growing need for electricity, which is one of the biggest contributors to quality of life. It makes things like health care, education, communication and transportation systems possible. It's our job, as a company, to help meet those fundamental needs by supplying an essential material for generating that electricity, and to do so in a way that protects people and the environment, everywhere we operate. It's an ambitious long-term goal that requires us to innovate, set meaningful targets, and hold ourselves accountable for meeting them.

It's an important task, but not an easy one. And 2013 was another challenging year for Cameco and our industry. Three years after the accident at Fukushima, Japanese reactors remain idle, supply-demand fundamentals are murky, and uranium prices remain depressed. While the long-term picture is still very positive, today our industry is under pressure. Uranium prices remain low while production costs are rising. As a result, we've seen projects delayed or cancelled, Cameco's included.

In that context, we've had to make some changes. We are streamlining processes, finding and implementing efficiencies, and reducing our workforce. These are not easy decisions to make and are not taken lightly, particularly those that affect people and livelihoods. But we needed to make the most responsible choices to ensure the company weathers the market challenges in the near term so we can grow again when conditions improve.

Despite the challenges of 2013, we did not compromise on our sustainability efforts, nor will we. One thing we've learned over our 25 years of operation is that these efforts are fundamental to Cameco's success. They centre around four measures that form the foundation for all we do: a safe, healthy and rewarding workplace, a clean environment, supportive communities and outstanding financial performance and governance.

In 2013, we continued to meet and exceed many of our goals. Three specific achievements stand out. Our injury rates continued their downward trend across the company, and continue to be better than our target. Cameco was awarded the Prospector and Developers Association of Canada's Environmental & Social Responsibility award. And, we received 10-year licences from the Canadian Nuclear Safety Commission for our McArthur River, Key Lake and Rabbit Lake operations, and an eight-year licence at our Cigar Lake mine. Cameco earned the confidence of its regulators through the positive relationships we have with neighbouring communities and our strong safety and environmental track record.

But there is no finish line when it comes to sustainability. It's a long-term commitment to constantly improve, to continue to push the goal posts. In 2013, we did that by formalizing objectives to increase our employment of residents of Saskatchewan's north by 2% and to increase our procurement of services from northern Saskatchewan vendors to 75%. We didn't meet those goals this first year, but we came close. We will work even harder to achieve them next year, and continue to push ourselves even further in the future, in all four of our measures.

One of our big challenges, and a key area of focus, is communications. The work we do is inherently complex, and requires a lot of information to ensure stakeholders are fully informed. We do a great deal of engagement with our communities to help stakeholders understand, not only what we are doing and why, but also what it means to them. We explain how we protect the environment, what kinds of job opportunities there will be, and what the benefits to the region will be. I would say we've been successful in this area because our strongest supporters tend to be the people in our surrounding communities—those who know the most about us and our operations.

Continual improvement is a universal goal at Cameco and this report is part of achieving it. It provides information about our goals, where we've met, exceeded or struggled with them, and how we plan to do better. We want it to be a credible, reliable source of information. That's why this year we've conducted a limited assurance of the report, which was carried out by Ernst and Young. We also sought help confirming that we're measuring and reporting on the right things—things that matter to Cameco and our stakeholders—by doing a formal materiality assessment and adjusting our KPIs. Both are part of our ongoing effort to build and sustain the trust and confidence of everyone who has an interest in Cameco and everyone affected by what we do.

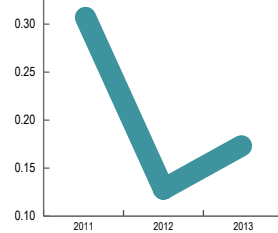
I'm proud of what we have achieved and of the things we plan to achieve. It's my personal goal to make sure we get there, and to keep pushing those goal posts.

Tim Gitzel
President and CEO

Highlights

Safe, healthy and rewarding workplace

LTI Rate



Hiring and labour practices

- LA1 Workforce (by employment type, contract and gender)
- LA2 Hiring and turnover
- LA4 Collective bargaining

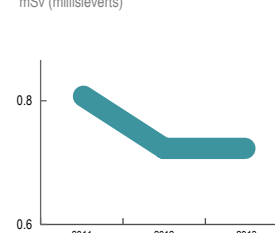
Employee development

- LA12 Performance and career development reviews

Safety and working conditions

- LA6 Health and safety committees
- LA7 Injury frequency, missed work
- CA2 Average radiation dose to workers

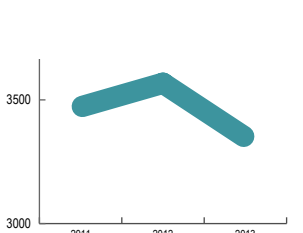
Average Radiation Dose



2013 Highlights

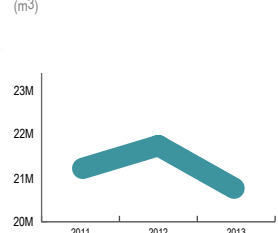
- Top 100 Employer
- Best Diversity Employer
- Top Employer for Young People

Number of Employees



Clean environment

Water Withdrawal



Energy

- EN3 Direct energy use
- EN4 Indirect energy use

Water

- EN8 Water withdrawal
- EN21 Water discharge and quality

Emissions

- EN16 GHG emissions
- EN20 Air emissions

Waste

- EN22 Waste
- MM3 Mine waste

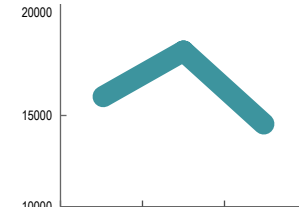
Incidents

- EN23 Significant incidents
- EN28 Significant environmental fines

Land

- MM1 Operational footprint

Total Non-mine Waste Generated



2013 Highlights

- Modest energy increases despite production increases

- Slight decrease in water intake
- Continued decrease in amount of molybdenum and uranium in treated water discharged to the environment

- Declining GHG emissions
- Decreases in SO2 and NO2 emissions

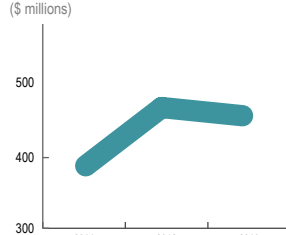
- Decrease in the overall amount of waste generated at our operations
- Over 8 million tonnes of waste rock reclaimed

- No significant environmental incidents
- No significant environmental fines

- Added 415 hectares to operational footprint

Supportive Communities

N. Sask Local Procurement



Economic impact

- EC6 Local spending
- EC7 Local hiring
- EC8 Infrastructure and service investments
- EC9 Indirect economic impact

Engagement

- SO1 Community engagement

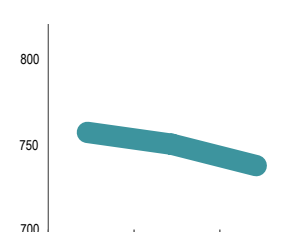
Community relations

- MM5 Proximity to Indigenous territories
- MM6 Disputes related to land use and customary rights
- MM7 Grievance mechanisms
- HR9 Disputes related to Indigenous rights
- MM10 Operations with preliminary decommissioning plans

Public opinion, lobbying

- CA1 Polling (public support)
- SO5 Public policy, lobbying

N. Sask Local Employees



2013 Highlights

- \$550 million in local procurement, including \$450 from locally owned northern Saskatchewan companies
- 747 local employees from northern Saskatchewan

- Community engagement activities at 100% of our operations
- One additional agreement with local community
- 4th CCAB PAR Gold certification

- No significant disputes related to land use or customary rights
- 5 operations on Indigenous Territory
- 1 significant dispute related to Indigenous rights
- 90% of operations with preliminary decommissioning plans

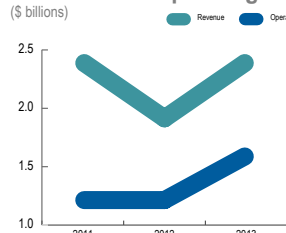
- Strong support wherever we operate

2013 Public Polling



Outstanding financial performance and governance

Revenue and Operating Costs*



* Starting in the first quarter of 2013, IFRS 11 - Joint Arrangements requires that we account for our interest in Bruce Power Limited Partnership using equity accounting. Our results for 2012 have been revised to comparative purposes, however, our results prior to 2012 have not been revised.

Economic value

- EC1 Direct economic value

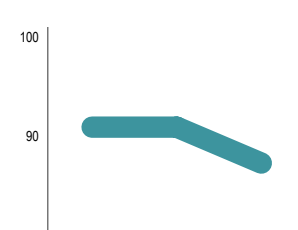
Fines, sanctions, litigation

- SO7 Legal action (anti-competitive behaviour)
- SO8 Competition law compliance
- PR4 Labelling non-compliance
- PR4 Sanctions (product non-compliance)

Governance

- CA3 Annual governance scores and rankings

G&M Governance Scores



2013 Highlights

- Increased revenue and operating costs

- No legal actions for anti-competitive behaviour
- Two significant fines for non-compliance with laws and regulations
- Four incidents involving dangerous goods labelling, including two resulting in warnings

- Ranked 25th out of 232 Canadian companies by Globe and Mail in governance practices

Community Investment

