

A close-up photograph of a person's hands holding a small green seedling with two leaves. The person is wearing a bright yellow high-visibility safety vest. In the background, a white container with the "NEWMONT" logo is visible. The image is partially covered by a dark blue horizontal band containing the report title.

Beyond the Mine | 2016 Africa Sustainability Report



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OVERVIEW

Newmont Mining Corporation (Newmont) is a leading gold and copper producer. The Company was founded in 1921 and has been publicly traded since 1925. Headquartered in Greenwood Village, Colorado, Newmont has approximately 20,000 employees and contractors with operations primarily in five countries around the world. Newmont is the only gold company listed in the S&P 500 index. In 2007, the Company became the first gold company selected to be part of the Dow Jones Sustainability World Index. Newmont has remained on the prestigious index every year since and was named the mining industry leader in 2015 and 2016.

Newmont's 100 percent-owned operating assets include the Boddington and Tanami mines in Australia; Ahafo and Akyem operations in Ghana; and in the United States, the Cripple Creek & Victor (CC&V) mine in Colorado and four operating complexes (Carlin, Long Canyon, Phoenix and Twin Creeks) in Nevada.

Operations where Newmont owns 50 percent or more and/or is the manager or operator include KCGM in Australia (50 percent); Yanacocha in Peru (51.35 percent); and Merian in Suriname (75 percent).

Our Ahafo gold mine, located in the Brong-Ahafo region of Ghana, has been operating since 2006. Our Akyem gold mine in the Eastern region near New Abirem began production in 2013.



Newmont's purpose is to create value and improve lives through sustainable and responsible mining.



Mining is a long-term business with commitments and investments that can span decades. How we manage social, environmental and political risks directly impacts our reputation and ability to create value.

Chief Executive's Message

Dear Stakeholder,

Our commitment to operating a sustainable business makes a positive difference in the lives of employees, business partners and community members around the world. Leading sustainability performance also underpins our ability to deliver consistent and superior business results, pursue profitable growth, and attract and retain talented people. I'm pleased to report on our contributions to sustainable development in 2016, and where we have room for improvement in achieving our purpose, which is to create value and improve lives through sustainable and responsible mining.

In 2016, our team maintained industry leading injury rates, lowered serious injuries by 75 percent, and worked for the entire year without a fatality. Despite this strong performance, we have more to do to create a sustainable safety culture. Work to verify the controls we have in place to minimize safety risks began in 2016 and will continue in 2017. We will also maintain efforts to reduce workplace health exposures through engineering controls like cleaner burning engines and better ventilation.

We generated cash from continuing operations of \$1.9 billion in 2016 and more than doubled free cash flow to \$784 million on the back of ongoing cost and productivity improvements. These profits were used to repay debt, return capital to investors and invest in our best growth prospects. We self-funded construction of two new mines – Merian in Suriname and Long Canyon in the United States – creating a foothold in prospective new gold districts. Both projects were built safely and benefited from strong stakeholder engagement and support. We also advanced profitable expansions in the United States and Australia and added four million ounces of gold to our reserve base through our exploration program. Failure to secure permits in a timely manner, however, delayed expansion projects in Ghana until the first half of 2017.

Results of an employee engagement survey helped us better understand what makes Newmont a good place to work and where we have room for improvement. Employee engagement improved significantly since the last survey was fielded in 2014. The majority believe that Newmont demonstrates its commitment to sustainability (90 percent) and to promoting diversity in the workforce (70 percent), but males rated the Company's commitment to diversity higher than females. We are working to address that disparity by creating a more inclusive culture, and improving female and national representation in our leadership ranks.

Newmont was named the mining sector leader by the Dow Jones Sustainability World Index for the second consecutive year in 2016. We were also ranked as the top mining company in the S&P 500 for environmental, social and governance (ESG) performance – and in the top ten overall – according to Bloomberg's ESG disclosure score. The score is intended to measure a company's capacity to anticipate and manage risk, and help investors weigh this competency on a consistent basis.

Our teams met public targets to improve complaint resolution, concurrent reclamation planning, and local procurement, but fell short of targets to improve local hiring at one operation and complete water management action plans at two others. Sustainability targets were also integrated into Newmont's compensation program in 2016 to heighten awareness of and accountability for social and environmental performance.



Other highlights for the year include:

- Our Ghana team being recognized by the U.S. State Department for their efforts to train security forces to protect operations and communities in a way that upholds human rights
- Partnering with Nevada state and U.S. federal officials to establish a historic sagebrush ecosystem conservation agreement
- Executing plans to create a more inclusive workforce and recruit, retain and engage indigenous employees in Australia
- Achieving a perfect score of 100 on the United States' Corporate Equality Index (CEI), and a designation of Best Place to Work for LGBT Equality
- Joining forces with other business leaders to achieve gender equality in U.S. company leadership ranks by 2030 through the Paradigm for Parity
- Reaching a landmark cooperation agreement with the Pamaka people in Suriname and establishing a community development fund that is already being used to dig wells and upgrade roads

Most of these examples demonstrate the importance we place on working collaboratively to improve our sustainability performance and standards. We continue to report in line with the United Nations Guiding Principles on Business and Human Rights' Reporting Framework. Newmont is also an active participant in the International Council on Mining and Metals Sustainable Development Framework, the United Nations Global Compact, the Voluntary Principles on Security and Human Rights, the Partnering Against Corruption Initiative, and the Extractive Industries Transparency Initiative, among other globally recognized standards.

We delivered strong sustainability performance in 2016, but our work to drive further improvements in alignment with society's long-term challenges and expectations never ends. Our priorities for 2017 include eliminating fatalities; capturing the cost of carbon in our investment system; securing the permits we need to grow our business in Ghana; and resolving a long-standing land dispute in Peru.

Please read our sustainability report for more detail on our performance and improvement targets. On behalf of the entire Newmont team, I thank you for your interest and welcome your feedback.

Sincerely,

GARY J. GOLDBERG

President and Chief Executive Officer



Message from the Regional Senior Vice President

Dear Stakeholder,

It is my pleasure to share with you Newmont Africa Region's safety, economic, social and environmental performance for 2016. Our Beyond the Mine report focuses on the Africa Region's efforts to meet our commitments to creating value and improving lives through sustainable and responsible mining.

Sustainability is one of our values and we believe that operating responsibly throughout the mine lifecycle creates shared value for the business and our people.

Here are a few performance highlights from the region:

- I am happy to report that in 2016, we recorded zero fatalities in the Africa region. On the other hand, we fell short of achieving our Total Recordable Injury Frequency Rate (TRIFR) target of 0.12. In 2017, we will continue to pursue our zero harm target by ensuring the application of critical control measures we have in place to reduce injuries and all forms of safety risks at work.
- We generated about \$363 million in economic value, including \$75 million in employee wages and benefits, \$78 million in taxes and royalties, and \$4 million in community investments.
- Our Ahafo mine was a finalist for the U.S. Department of State Bureau of Economic Affairs' Corporate Excellence Award (ACE). The mine was recognized for promoting human rights and labor rights within the company and in its host communities.
- We signed a Memorandum of Understanding (MoU) with the Forestry Commission of Ghana to initiate the second phase of the Akyem mine's reforestation project, which involves planting various tree species on 257 hectares in the Kweikaru Forest Reserve. This is to meet our commitment of replacing, by threefold, the 101 hectares of the Ajenjua Bepo Forest Reserve impacted by the mine's operations.



In 2016, we made great strides in progressing our Purpose of creating value and improving lives through our operations, yet our work is not complete. Our focus for the future includes preventing injuries and fatalities; advancing our local employment and procurement programs; executing our artisanal small-scale mining (ASM) and global water strategies, and further embedding effective risk management and analysis into our business processes.

I appreciate your interest in learning more about the Africa region's sustainability performance and look forward to receiving your comments and suggestions on how we can further enhance our performance and create more value for our people.

Best Regards,

ALWYN PRETORIUS

Regional Senior Vice-President



Message from the Safety and Sustainability Committee Chair

Dear Stakeholder,

The Safety and Sustainability Committee evaluates, on behalf of Newmont's Board of Directors, management's efforts to build a healthier, safer and more environmentally sound and socially responsible business.

During 2016, Committee meetings involved detailed briefings on Newmont's efforts to address the material environmental and social risks and opportunities across the business. To better understand the key sustainability matters at each operation, Committee members regularly engaged with regional leadership, conducted in-depth reviews of each operating region at quarterly Committee meetings, and visited Merian and Cripple Creek & Victor – two of Newmont's newest portfolio additions – to observe on-the-ground implementation of the Company's policies and standards.

Among the more significant matters the Committee reviewed during the year:

- **Safety** – The Committee commends everyone working on Newmont's behalf for a fatality-free year. In addition to receiving safety performance updates at each meeting, we reviewed the Company's work to sustain this performance through its Fatality Risk Management program and address repeat events and those that had the potential for serious consequences. We also reviewed and discussed the citations and orders issued by the U.S. Mine Safety and Health Administration related to alleged safety and health violations at Newmont's U.S.-based mines.
- **Human Rights** – At each meeting, we received updates on the complex land dispute involving the Chaupe family in Peru. Management briefed the Committee and the full Board prior to the publication of the independent report on the allegations of human rights violations and other issues associated with the dispute and Newmont's plan to address the report's findings. We also were briefed on the important work underway to manage human rights risks across the business, particularly in the Company's supply chain, security program and stakeholder engagement efforts.
- **Environment** – The Committee reviewed progress on the Company's water strategy and efforts to reduce fresh water use. Developments around climate change – including the Paris Climate Agreement and its potential impact on our costs and operations – elevated discussions on the strategy to accelerate energy conservation and emission reductions and prepare the business for a low-carbon economy. A particular focus of the Committee was around the closure plan for the Yanacocha operation in Peru and the increase in the Company's reclamation obligation, primarily due to higher estimated long-term water management costs, heap leach earthworks and related activities.

During the year, the Committee also discussed country risk and global efforts such as the cyanide management risk assessment; artisanal and small-scale mining strategy; workplace health exposure reduction plans; and implementation of a new integrated data management system that supports greater efficiency and more robust assurance.

In the coming year, the Committee will focus on Newmont's efforts to sustain its safety performance; meet energy, emissions and water use targets; update its tailings storage facility management approach to reflect the industry-wide review led by the International Council on Mining and Metals (ICMM); manage and report human rights risks; and develop an approach to demonstrate how the Company contributes to the United Nations Sustainable Development Goals. We also will be reviewing the revised closure plan for Yanacocha, which is expected to be submitted to Peruvian regulators in the second half of 2017.

The Company's resiliency in what was another year of market volatility is a testament to management's approach to delivering long-term value through sustainable and responsible mining.

Sincerely,

JOSEPH A. CARRABBA

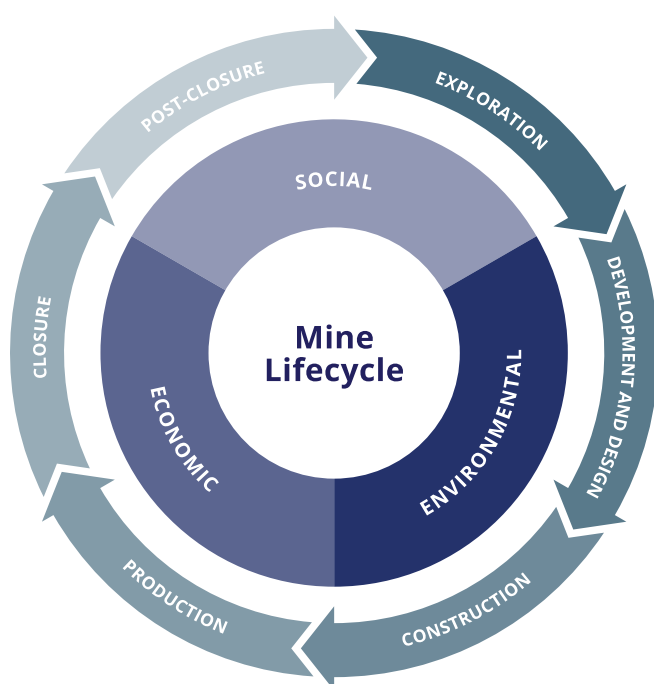
Chair, Safety and Sustainability Committee of the Board of Directors



Our Approach to Sustainability

As a core value, sustainability – serving as a catalyst for local economic development through transparent and respectful stakeholder engagement and as responsible stewards of the environment – is a deeply ingrained principle that guides our actions and supports our purpose to create value and improve lives through sustainable and responsible mining.

HOW SUSTAINABILITY FITS INTO THE MINE LIFECYCLE



Our Sustainability Strategy

Our strategy is based on the premise that strong sustainability performance throughout the mine lifecycle delivers value for the business, our shareholders and stakeholders. Meeting the needs of the present without compromising the needs of the future requires that we understand and effectively manage our broad profile of social and environmental risks.

Our sustainability strategy is aligned to the three platforms of our business strategy:

1. Secure the gold franchise

Our business depends on securing legal licenses and social acceptance, which requires us to:

- Meet legal obligations and achieve minimum performance standards across all operations and projects;
- Effectively identify and manage environmental and social risks;
- Develop long-term positive relationships with host governments, communities and other key stakeholders;
- Employ robust systems and processes to accurately capture data and information; and
- Transparently and regularly report our performance.

2. Strengthen the portfolio

Building an industry leading portfolio of long-life, lower-cost assets requires discipline and rigor in assessing social and environmental challenges, risks and opportunities.

Whether pursuing opportunities in new jurisdictions or acquiring mature assets, we must evaluate key risks – including employment and infrastructure, social and environmental impacts, environmental legacies and reputational liabilities – in order to determine the value and viability of the opportunity.

When divesting non-core assets, buyer interest and asset valuations are likely to be greater if social and environmental risks and legacy issues have been effectively managed.

3. Enable the strategy

The third element of our business strategy requires effective management of both current and emerging threats and opportunities through:

- A clear direction and strategic intent;
- A framework for implementation and realistic plans;
- A motivated team with specialized skills;
- Leaders who visibly and consistently demonstrate their understanding and commitment; and
- Ongoing, meaningful engagement with our full range of stakeholders.



FRAMEWORK

Implementation of our sustainability strategy requires a framework that connects all the required elements, beginning with the policies that serve as the framework's foundation, in order to deliver on our commitments:

- Transparently reporting on our performance helps us build trust with stakeholders by holding ourselves accountable for results and acknowledging areas for improvement.
- Metrics and indicators track our performance and clear targets challenge us, drive improvement and allow stakeholders to assess our performance in the areas that matter most.
- Efficient and effective management systems improve cross-functional collaboration and drive a consistent approach to risk management across the business.
- Strategies, standards and procedures apply a consistent approach and detail the minimum requirements for fulfilling our commitments.
- Our global policies – including our Sustainability and Stakeholder Engagement Policy – codify our commitments to stakeholders and are the foundation of the framework.



STRATEGIC IMPERATIVES

Three strategic imperatives drive the programs necessary to deliver our sustainability strategy:

- **Performance** – We strive to deliver meaningful, measurable and sustainable results over the long term. In 2016, the Dow Jones Sustainability World Index (DJSI) named Newmont the mining sector leader for the second year in a row, and we achieved both Gold Class and Industry Mover distinctions in the 2017 Sustainability Yearbook, which is based on the assessment used to determine the DJSI scores. We also ranked as the top mining company – and in the top 10 overall – in the S&P 500 for our environmental, social and governance (ESG) performance, according to Bloomberg's ESG disclosure score.
- **Social acceptance and reputation** – The support of host communities and other key stakeholders is crucial to our success. In 2016, Newmont was the first company in the extractive industry to publicly report against the UN Guiding Principles Reporting Framework, the first comprehensive guide for reporting on human rights risks.
- **Risk management** – Identifying and managing our risks and capitalizing on opportunities that deliver shared value to all our stakeholders are essential to achieving our goals. Our new Integrated Management System (IMS) is a critical tool to help drive efficiency and effectiveness in communicating, tracking and managing our risks, and the launch in 2016 of IMS's first phase was an important milestone in the system's implementation. During the year we also conducted comprehensive global risk assessments related to fatalities, cyanide management, suppliers and security forces; reviewed risks associated with regulatory changes; and participated in the International Council on Mining and Metals' (ICMM) global review of tailings storage facilities.



Our Priorities

Understanding the issues that matter most to our stakeholders and our business helps us focus on key risks and opportunities, which in turn improves our reporting and performance.

We evaluate a number of factors to determine our priorities for this report. These include the issues that address our values, policies and overall strategy and the most significant impacts, threats and opportunities to our business. We also consider regulatory and voluntary commitments – such as the Paris Climate Agreement and the United Nations Sustainable Development Goals (SDGs) – that address current and future challenges for our industry and society as a whole.

Our priorities also reflect our salient human rights, which were determined by examining how our business activities can impact human rights across the supply chain and throughout the life of the mine.

Finally, ongoing and regular feedback from internal and external stakeholders is crucial to understanding the issues that are most important to the business and our stakeholders. In 2016, we engaged a third party to conduct a formal materiality

assessment as a follow-up to the one we completed in 2013 and the internal materiality review performed in 2015. Nearly 50 internal and external stakeholders either completed an online survey or were interviewed about the relative importance of 28 sustainability issues.

For purposes of this report, we group our priorities into four categories – Ethics and Governance, Our People, Economic and Social Performance, and Environmental Stewardship.

Targets

Measuring and reporting on our progress are key elements of our sustainability framework. Targets demonstrate our commitment to transparency, focus our efforts on strategic priorities, strengthen accountability, and reflect our commitment to continuous improvement.

We continue to build on and learn from the first external targets we established in 2014 to ensure our targets are meaningful and align with our strategic goals as well as broader global sustainable development priorities.





Stakeholder Engagement

Engaging with our stakeholders – who we consider to be any person or organization influential to our success or potentially impacted by our activities – allows us to share information about our activities and decisions and gain a greater understanding of their needs and perspectives.

Stakeholder engagement plans at the corporate, regional and site level ensure we deliver on our commitment to ongoing and honest dialogue and transparent, timely and fact-based communications with our stakeholders. These elements are critical to building trusted relationships based on mutual respect and to managing risks present in our business. In addition, stakeholder engagement helps inform our site-level management plans and validate our salient human rights issues and priorities.

Because each stakeholder has unique and specific areas of concern, the channel and frequency of engagement varies. An overview of our approach to engaging with our main stakeholders is described in the following table, with additional detail provided throughout this report.

Stakeholder	Key topics and areas of interest	Our approach to engagement and addressing key topics and areas of interest
Employees	<ul style="list-style-type: none"> • Safe and healthy work environment • Strategy and direction of organization • Workplace diversity and inclusion • Wages, benefits, recognition and commitments • Opportunities for career advancement and/or development • Workplace agreement terms and conditions • Responsible business practices 	<p>Code of Conduct, policies and standards, collective bargaining/ contract negotiations, Vital Behaviors and Safety Leadership Coaching programs, training and development programs, Ethics line, conversations between managers and employees, performance feedback, engagement surveys, town hall meetings with the CEO and other leaders, newsletters, employee communications channels</p> <p>To learn more, see Our People, page 25.</p>
Suppliers/ contractors	<ul style="list-style-type: none"> • Safe and healthy work environment • Contract terms and conditions • Business opportunities • Financial and operating performance • Responsible business practices • Innovation • Operating efficiencies • Strong partnerships 	<p>Contract negotiations, Supplier Code of Conduct, policies and standards, participation in contractor safety programs and continuous improvement initiatives, global and regional supplier summit conferences, local content partnerships, social responsibility partnerships, meetings and personal communications</p> <p>To learn more, see Supply Chain Stewardship, page 18, and Local Employment and Business Opportunities, page 32.</p>
Business partners	<ul style="list-style-type: none"> • Financial and operating performance • Reserves and resources • Safety, health, environmental and social performance • Government regulations and permitting • Mergers, acquisitions and divestments 	<p>Terms of agreements, annual and quarterly reports, regulatory filings, regular meetings and communications via telephone, email, website and mailings</p> <p>To learn more, see our 2016 10-K Report on the Newmont corporate website at www.newmont.com.</p>



Stakeholder	Key topics and areas of interest	Our approach to engagement and addressing key topics and areas of interest
Governments and regulatory bodies	<ul style="list-style-type: none"> • Taxes and royalties • Jobs • Infrastructure • Contribution to national and local socio-economic development priorities • Environmental stewardship • Regulatory and legal compliance • Compliance with mining license 	<p>Regulatory filings, responses to requests for information, participation in events and forums, collaboration on government/industry campaigns and programs, tours of operations and site visits, meetings and personal communications</p> <p>To learn more, see Ethical Conduct, page 13, and Value Sharing, page 31.</p>
Shareholders, investors and analysts	<ul style="list-style-type: none"> • Financial and operating performance • Share price performance • Dividend payments • Balance sheet strength • Reserves and resources • Safety, health, environmental and social performance • Reputation and ethics • Government regulations and permitting 	<p>Annual and quarterly reports, regulatory filings, investor conferences, annual general meeting, investor road shows, mine site tours, analyst days, regular meetings and communications via telephone, email, website and mailings</p> <p>To learn more, visit the Investor Relations section of the website at www.newmont.com.</p>
Host communities	<ul style="list-style-type: none"> • Safe and healthy operations • Jobs and local business opportunities • Community investment • Environmental stewardship including access to clean water • Access to education and skills development • Infrastructure • Transparency in distribution of direct and indirect contributions • Indigenous peoples' rights • Community wellbeing • Reputation and ethics 	<p>Participation in social and environmental assessments, socio-economic programs, foundations and funds, complaints and grievances mechanisms, forums, conferences, site visits, surveys, community development committees and boards, meetings and personal communications</p> <p>To learn more, see Community Relationships, page 36.</p>
Non-governmental organizations (NGOs), multinational organizations and civil society	<ul style="list-style-type: none"> • Transparency and accountability • Governance • Social performance • Human rights and free, prior and informed consent for indigenous peoples • Environmental stewardship • Mutual value creation 	<p>Social/community/other assessments, participation in multi-stakeholder initiatives, strategic partnerships, forums, conferences, participation in thought-leadership panels and advisory councils, questionnaires, meetings and personal communications</p>



Stakeholder	Key topics and areas of interest	Our approach to engagement and addressing key topics and areas of interest
Media	<ul style="list-style-type: none"> Financial and operating performance Health and safety performance Community and social performance Environmental stewardship Government regulations and permitting Mergers, acquisitions and divestments 	<p>Press releases, interviews, regulatory filings, presentations, publications, mine site visits, meetings, communications via phone and email, company website and social media channels</p> <p>To learn more, visit the Newsroom section of the website at www.newmont.com.</p>
Peers and industry associations	<ul style="list-style-type: none"> Safe and healthy operations Responsible business practices Environmental stewardship Collaborating with peers via industry organizations and other business, political and academic leaders via global forums on sustainability issues and policy positions General knowledge sharing on lessons learned and best practices 	<p>Active participation as members and on boards or other leadership assignments, conferences, engagement through business bodies and industry-wide initiatives, meetings and personal communications</p>





Voluntary Commitments

Newmont participates in a number of relevant global, national and regional organizations and initiatives to inform our sustainability programs and improve our performance. Some of the more notable ones are as follows:

INTERNATIONAL COUNCIL ON MINING AND METALS (ICMM) SUSTAINABLE DEVELOPMENT FRAMEWORK

As an ICMM founding member, we commit to the CEO-led organization's 10 Principles for Sustainable Development, its supporting position statements, and transparent and accountable reporting practices. ICMM's 10 principles have been benchmarked against leading international standards including the Rio Declaration, the UN Global Compact, OECD Guidelines on Multinational Enterprises, World Bank Operational Guidelines, OECD Convention on Combating Bribery, ILO Conventions 98, 169, 176, and the Voluntary Principles on Security and Human Rights.

VOLUNTARY PRINCIPLES ON SECURITY AND HUMAN RIGHTS (VPSHR)

This global initiative, established in 2000, seeks to protect human rights through leading safety and security practices. Signatories include 10 governments – including Australia, Ghana and the United States – and nearly 40 industry and NGO participants. Newmont annually reports on our efforts to implement and promote the Voluntary Principles.

EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (EITI)

Newmont is actively involved in EITI's efforts to promote revenue transparency and accountability in the extractive industry, and we also support the initiative by reporting our tax and royalty payments annually.

PARTNERING AGAINST CORRUPTION INITIATIVE (PACI)

Newmont is a founding member of the World Economic Forum's PACI. We do not tolerate bribery or corruption, and we require training based on PACI principles for employees most likely to encounter bribery or corruption risks.

WORLD GOLD COUNCIL (WGC)

The WGC promotes responsible mining practices across the gold industry. Our Conflict-Free Gold Standard and our approach to reporting all-in sustaining costs are largely informed by guidelines and standards developed by the WGC and its member companies.

UNITED NATIONS (UN) GLOBAL COMPACT

The UN Global Compact promotes responsible corporate citizenship and a collaborative approach to forging a more sustainable and inclusive global economy. This report serves as our advanced-level annual Communication on Progress (COP) toward implementing the 10 Global Compact Principles into our strategies and operations. We also participate in the UN Global Compact LEAD Program, which promotes adoption of the Blueprint for Corporate Sustainability Leadership.

UNITED NATIONS (UN) GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS (THE GUIDING PRINCIPLES)

The Guiding Principles provide clarity on the first two principles of the UN Global Compact, which address businesses' responsibility to respect human rights. Unanimously endorsed by the UN Human Rights Council in 2011, the Guiding Principles are a global standard that defines the duties of states and the responsibilities of companies for preventing and addressing human rights impacts linked to business activities. Newmont discloses our human rights performance using the UN Guiding Principles Reporting Framework, the world's first comprehensive guidance for companies to report on how they respect human rights. Newmont was the first extractive company to adopt this framework.



ETHICS AND GOVERNANCE

Strong governance, ethical and responsible behavior by our workers and suppliers, respect for human rights, and compliance with all laws, rules and regulations are essential to secure our license to operate, protect our reputation and create mutual value for all stakeholders.

Ethical Conduct

Demonstrating ethical behavior and complying with all laws, rules and regulations are essential to earning the trust of our stakeholders and creating and sustaining value. Strong governance, in combination with everyone who works on our behalf speaking up and taking accountability for their behavior, is crucial for preventing corruption, conflict, penalties, fines and reputational damage.

Integrity – behaving ethically and respecting each other and the customs, cultures and laws wherever we operate – and responsibility – delivering on our commitments, demonstrating leadership, speaking up and challenging the status quo – are two of our core values.

Our Code of Conduct (the Code) states our commitment to high ethical standards, corporate responsibility and integrity. Our Board of Directors updates, reviews and ratifies the Code and re-evaluates it at least every three years.

For all employees, officers and Directors, partners, vendors and contractors, our Code defines applicable standards of behavior and details our expectations that they act ethically and adhere to the social, environmental and economic principles of sustainable development.

Six global policies state our intentions, aspirations and commitments across key aspects of our business.

- Health and Safety
- Operations and Resource Development
- Asset Value Protection
- Business Integrity
- People
- Sustainability and Stakeholder Engagement



These policies are supported by standards, guidelines and procedures, which define minimum requirements, recommended approaches and how work should be done and who should do it. Our Code and policies are published on our website.

Our Business Integrity Policy requires all those engaged in activities on our behalf to work honestly and in the best interests of the Company, to avoid corruption and bribery of any kind, and to ensure compliance with various relevant legal requirements. Supporting this policy are a number of standards including our Conflicts of Interest Standard, Gifts and Entertainment Standard, and our Anti-Corruption Standard, which addresses ethical conduct requirements and Partnering Against Corruption Initiative (PACI) principles not otherwise covered in our Code or other policies or standards.



When we receive information or credible allegations regarding unlawful conduct, our policy is to conduct a thorough investigation, take remedial steps if warranted and, when appropriate, communicate with authorities about the investigation and findings.

Our internal audit function conducts annual fraud risk assessments, which include assessing risks of commercial and government corruption throughout our operations. Along with regular in-person training sessions customized to the particular region, site or function, we also conduct annual online training that targets a larger percentage of employees.

While anyone can file an ethics report using our anonymous online Ethics Solution Tool, we actively encourage employees to speak up and report any incidents where a possible Code of Conduct violation has occurred. We also input into the Tool cases that may have originated through other channels, such as human resources or security, if they have a component related to the Code. Cases are rated red, yellow or green, depending on the type of allegation and the roles of those implicated. Reports on cases are provided regularly to the Executive Vice President and General Counsel and quarterly to the Board of Directors' Audit Committee.

We engage with governments and other stakeholders on a variety of issues, including worker health and safety, environmental protection, trade, economic development, infrastructure, transparency, rule of law, and other areas of public policy that are important for our operations. This engagement is in strict accordance with all applicable laws, the Extractive Industry Transparency Initiative (EITI), and Newmont's Code of Conduct, Business Integrity Policy and standards on ethical conduct, referred to above.

Our Political Contributions Standard details the rules and processes for making political contributions or otherwise engaging in the legislative or political process. This standard states our commitment to report our political contributions to our Board of Directors on a semi-annual basis and annually on our website. We do not make political contributions outside the United States.



Ethical Conduct – Case Study

BATTLING THE INFLUENCE OF UNCONSCIOUS BIASES

As humans, we harbor hundreds of biases that influence our decisions in ways we don't even realize. Called unconscious, or cognitive, biases, these create shortcuts for our brain that help us filter information, act fast and recall details.

But they can also lead to irrational decisions and undesirable outcomes. Examples include the confirmation bias, where we tend to favor information that confirms our existing beliefs, and the projection bias that assumes other people think like us. And failing to recognize your biases – called the blind spot effect – is a bias in itself.

Because those in executive roles must often quickly evaluate options on important business decisions, in 2016 our executive leadership team participated in a workshop to understand their existing unconscious biases, the role those biases play in decision making, and how to minimize and eliminate the impact of conscious and unconscious bias in the workplace. One particular area of focus is the impact biases have on people decisions, such as hiring, career development, succession planning and even employee complaints.

Just before the workshop, participants were asked to take Harvard University's online Implicit Association Test. The test experience was then used as a foundation for discussion during the workshop. The session included activities to illuminate the sources of unconscious bias, and participants used journals to capture personal lessons and “ah-hah!” moments.

“Unconscious bias training helps leaders understand and acknowledge the underlying preconceptions that impact their decision making and, more importantly, develop a more inclusive perspective going forward,” said Newmont President and Chief Executive Officer Gary Goldberg. “The business case for inclusion and diversity is clear – companies that create a culture where everyone can contribute have been shown to deliver better business results, demonstrate stronger teamwork, and out-compete in recruiting top talent.”

At the end of the session, participants provided feedback and discussed opportunities to expand the experience to more employees in the future and integrate learnings into business practices.





Risk Management

As a global mining company, we have a risk profile that is inherently broad and evolving. A number of political, social, environmental, safety, operational and financial risks have the potential to impact our reputation and license to operate. In order to become the world's leading gold mining company and to deliver on our commitments, we must effectively identify and manage our material risks and capitalize on opportunities that deliver shared value to all our stakeholders.

Our global Risk Management Standard requires all operating regions and functions during every phase of the mine lifecycle to manage our material – including catastrophic – risks using a common risk assessment framework based on the International Standard for Risk Management (ISO 31000). Below demonstrates how this six-step framework helps create informed decisions on risk treatment options that directly impact the bottom line, using our Fatality Risk Management approach as an example.

RISK MANAGEMENT FRAMEWORK





2016 Performance

In 2016, work continued across a number of fronts to enhance our ability to effectively manage the risks in our business. Among the highlights of these efforts:

- We launched the first phase of our Integrated Management System (IMS), which focused on implementing key standards and operating procedures related to risk, event reporting, assessments (including interactions, inspections and audits) and corrective actions; developing a single global risk register; and selecting a global certification provider.
- To better understand our exposure to the significant risks present in our business, we conducted comprehensive global risk assessments related to fatalities, cyanide management, suppliers and security and participated in the International Council on Mining and Metals' (ICMM) global review of tailings storage facilities. Findings from the reviews were used to develop action plans, strengthen controls and improve standards and procedures. We also reviewed risks associated with changes and additions to regulations impacting our business activities.
- Our cross-functional global cyber security committee continued work to advance our ability to identify, prevent, detect, respond to and recover from cyber security threats and protect the confidentiality, integrity and availability of our digital assets company-wide. We implemented cyber security governance, awareness and training, engineering, and vulnerability management programs.

More detailed information about risks considered most material to our business is included throughout this report. In addition, a list of our significant risk factors can be found in our 2016 10-K report, beginning on page 12.

Future Focus

We will continue work to develop stronger core competencies in risk analysis and further embed effective risk management and analysis into the way we do business. Areas of focus for 2017 include:

- Continue to mitigate and manage cyber security risks through:
 - Conducting a global risk assessment to better understand the risks present in our computer-based mining systems and to ensure efforts are aligned with our overall strategic business objectives;
 - Advancing our ability to prevent and quickly detect and respond to threats as well as, when needed, effectively and efficiently restore digital assets with minimal operational impact; and
 - Enhancing training programs that educate and raise awareness on risk mitigation techniques.
- Complete the Integrated Management System (IMS) phase two implementation, which is focused on implementing standards and operating procedures related to legal, documents and records management, monitoring and measurement, management of change, operational control, and leadership and management review. We also plan to transition other core functions – such as supply chain – onto the IMS platform.
- Begin implementation of the IMS's third and final phases, which focus on standards, addressing planning, objectives and targets, supplier management, training and awareness, communication, emergency preparedness and crisis management, and achieving global ISO umbrella certification in 2018, which should result in cost savings and a reduction in the number of audits.



Supply Chain Stewardship

In 2016, Newmont implemented a Supplier Code of Conduct and launched a formal global Supplier Risk Management program, which is scheduled to be completed in 2017 and rolled out in 2018. We considered selecting or contracting with a total of 461 new suppliers that were screened against anti-corruption and sanctioned third parties in 2016. The percentage of those screened against other key criteria were:

- 98 percent using environmental criteria
- 95 percent using labor practices criteria
- 36 percent using human rights criteria
- 98 percent using criteria for impacts on society*

Our global operating procurement expenditures in 2016 totaled more than \$4.9 billion. Of this amount, an estimated 70 percent was competitively bid, resulting in approximately 6,000 contracts.



Future Focus

Work will continue in 2017 to improve our ability to manage the risks and opportunities present in our supply chain. Key activities include:

- Applying our Supplier Code of Conduct to all new contracts and those up for renewal;
- Completing the first phase of our Supplier Risk Management program including the establishment of a steering committee, detailed qualification criteria and content, an audit program and a revised global Procurement Standard;
- Implementing a formal Supplier Relationship Management program to ensure we engage with critical suppliers in the planning phase and throughout the entire business relationship until the contract is closed out. This program aims to establish performance metrics and review cycles and also will help us develop collaborative initiatives in key sustainability areas such as energy efficiency, local employment and local supplier development; and
- Expanding our skills development training program in Ghana to all our regions and to other personnel outside the supply chain function.

* Data from our KCGM operation in Australia and Cripple Creek & Victor (CC&V) mine in Colorado are not included in these figures. At KCGM, we are implementing programs that should facilitate our ability to track this data going forward. At CC&V, which was acquired by Newmont in mid-2015, the migration of its contractor database into Newmont's system in 2016 resulted in all of CC&V's suppliers appearing as new suppliers in 2016, preventing us from accurately reporting the site's 2016 data. We will track the above data for CC&V beginning in 2017.



Supply Chain Stewardship – Case Study

DEVELOPING FUTURE SUPPLY CHAIN LEADERS

Our Ahafo and Akyem operations have received many accolades for their local supplier development programs. With the responsibility of maintaining this performance falling largely on our supply chain department, developing the skills of these employees is key to delivering on our strategy.

In late 2015, Vince McCabe, who is Newmont's Supply Chain Director for the Africa region, created a package of formal training programs designed to enhance the capabilities of his supply chain team members. Affectionately dubbed "Vince University," the program modules offer junior and senior supply chain staff members at our Africa operations courses on topics such as Introduction to Supply Chain Strategy, Finance and Logistics, Strategic Sourcing and Inventory Management. At the conclusion of the training, participants take a 90-minute formal exam on each subject and receive graded certificates based on test scores. The top students from each module held in 2016 have moved on to become instructors for subsequent courses.

Employees from other departments have also attended various modules and taken the exam. This has provided them a greater understanding of the supply chain function at Newmont as well as the broader business environment.

Given the program's success in Ghana, Newmont plans to expand the skills development program to all our regions in 2017 and beyond.

Members of Ahafo's supply chain team also held coaching sessions for soon-to-be graduates studying procurement management at Sunyani Technical University. These sessions included real-life scenarios to help the students prepare for the transition from classroom to workplace.

This knowledge transfer will be crucial as Newmont works with the Ghana Chamber of Mines to develop a long-term national policy and supplier development program to help promote sourcing from local businesses within the mining industry and beyond.





Human Rights

Issues that were once framed as environmental, social or safety risks are increasingly being framed in human rights terms. Our activities throughout the mine lifecycle have the potential to impact the rights of workers, communities and indigenous peoples. While it is the duty of governments to protect human rights, we recognize our responsibility to respect fundamental human rights, mitigate risks, ensure those impacted by our activities have access to remedies, and help realize many human rights through positive contributions that strengthen capacity and empower communities.

Our commitment to respect the rights and dignity of all people is stated in our Code of Conduct and our Sustainability and Stakeholder Engagement Policy. A set of global standards aligns our commitment to addressing human rights with the United Nations (UN) Guiding Principles on Business and Human Rights (the Guiding Principles), of which the fundamental requirement is that we do no harm. Our Supplier Code of Conduct requires our suppliers and business partners to adhere to this commitment as well.

Our global Human Rights Standard and strategy help guide how we manage impacts, address grievances, and integrate human rights considerations into our stakeholder engagement and other business activities.

All sites must maintain processes to identify human rights risks on an ongoing basis. For existing operations – or changes to existing operations that have a low risk to impact human rights – we integrate human rights considerations into current processes, such as social impact assessments (SIA) or environmental and social impact assessments (ESIA). For new projects – or changes to existing operations that have a higher potential to impact human rights – sites must integrate human rights impact assessment (HRIA) approaches into their SIAs or complete standalone HRIAs.

Ongoing engagement with stakeholders potentially impacted by our operations helps identify and surface issues before they escalate. Stakeholders can file complaints and grievances through our site-based complaints and grievances (C&G) mechanism and registers, our online Ethics Solutions Tool, or a manager or human resources representative.

In 2015, we elevated our commitment to human rights by becoming one of the first six global companies – and the first in the mining industry – to adopt the UN Guiding Principles Reporting Framework (the Reporting Framework). As the first comprehensive guidance for companies to report on how they respect human rights in line with the Guiding Principles, the Reporting Framework is a crucial tool for improving our performance. An overview of our human rights journey and details about our global salient human rights issues are discussed in our online fact sheet, and we disclose our human rights performance on an annual basis in this report.

We undertake a number of preventative measures around each of these salient issues, making necessary changes to our controls and monitoring changes. We also continually identify, monitor and manage a broader range of human rights risks and impacts. For example, our global inclusion and diversity strategy includes a focus on promoting gender equality in both our workforce and the communities where we operate.

Our approach to managing our salient issues through various methods including stakeholder engagement, performance, and commitment to continuous improvement are discussed throughout this report.





SECURITY

With the right to security of person as one of our salient human rights issues, the basis of our global security program is working alongside our host communities to protect people and assets and respect human rights.

Newmont conducts robust, evidence-based threat and vulnerability assessments at locations ranging from exploration sites to office buildings. Where security threats are higher – we employ or contract with on-site security personnel.

As a formal participant in the Voluntary Principles on Security and Human Rights (VPSHR), we commit to implement a set of Voluntary Principles (VPs), which provide an operating framework that enables us to maintain the safety and security of our operations based on respect for human rights and fundamental freedoms.

All sites with on-site security personnel must use our VP implementation framework, which aligns with the following VP tools:

- **Stakeholder engagement** – Training sessions, workshops, community events and other engagement activities encourage VP implementation with host governments, raise public awareness of the VPs and help build relationships based on trust.
- **Risk assessments** – Our standardized workbook, which we use to effectively assess and manage security risks, aligns with the VPs as well as our internal assurance process.
- **Private security** – Private security firms we select must agree to our rigorous standards and human rights commitments, undergo a background check, and complete training on the VPs including the principles of de-escalation, use of force and other relevant law enforcement codes.
- **Public security** – Our memoranda of understanding (MoU) with public security agencies in Ghana state our joint commitment to respect human rights when operating on Newmont property. We also encourage public security agencies to participate in our training, workshops, exercises and events pertaining to the VPs.



While we aim to avoid security-related incidents, should such an incident occur, it must be recorded and fully investigated. Events found to be credible are reported to the appropriate authorities as well as the VPSHR plenary, Newmont's executive leadership team and our Board of Directors.

2016 Performance

In support of our human rights strategy, we worked on a number of fronts to address challenges and improve our ability to manage human rights risks. Key activities during the year included:

- Our operations completed human rights risk assessments in 2016.
- We conducted assessments that yielded a number of key learnings including the importance of initiating the assessment process as early as possible in the mine lifecycle and balancing the need for the reviews to be independent and objective while producing recommendations that resonate and are able to be integrated into business activities. As a result, the Akyem operation incorporated human rights into its updated social impact assessment and Ahafo operations incorporated human rights indicators into its updated social baseline.



SECURITY

Every Newmont site that employs private security personnel and those where public security agencies are active in and around our operations completed annual training based on the Voluntary Principles (VPs). In Ghana, we conducted a four-hour training program with employees, private security contractors, law enforcement and military personnel and three NGO representatives.

Region	Site/location	Total number of participants in security training				Percentage of security personnel trained	Cumulative hours of training
		Employees	Private security contractors	Law enforcement personnel	Other external stakeholders		
Africa	Ahafo, Akyem and Accra (our regional headquarters)	775	584	90	3	100%	5,808

In 2016, we refreshed our approach to build an even stronger security program and improve our implementation of the VPs. Key programs and activities during the year included the following:

- We met our global external target for all operating, project, exploration and office sites to complete security and human rights risk assessments using the standardized workbook based on the VPs. An independent auditor reviewed the assessments, and sites identified controls and developed action plans for all threats, with a particular focus on the threat of invasions and protests at our sites. This review also identified a number of key opportunities for improvement, including:
 - Tailoring training to job functions and ensuring training framework includes key learning outcomes;
 - Developing consistent criteria and a more robust due diligence process for awarding and renewing private security contracts; and
 - Working within the VPSHR to create meaningful performance metrics and share excellence in implementing the VPs.
- We established an internal, cross-functional Security and Social Acceptance Committee (SSAC) to be more agile in how we approach and respond to security-related threats. A key function of this group is to review specific cases and provide advice and solutions from a multidisciplinary perspective.

Future Focus

Effectively managing the risks present in our operating environments is a key element of implementing the Voluntary Principles. We clarified our 2017 security target, and are updating our targets for 2018 and beyond to better align them with other efforts – such as our artisanal and small-scale mining strategy – and to be more meaningful in measuring the impact of implementing the VPs. We will disclose the updated targets in our 2017 sustainability report.





Human Rights – Case Study

COUNTRY-WIDE TRAINING ENHANCES UNDERSTANDING OF HUMAN RIGHTS

Since 2004, Newmont has been actively involved in the Voluntary Principles on Security and Human Rights (VPSHR), a multi-stakeholder initiative designed to help extractive companies maintain the safety and security of their operations within an operating framework that respects human rights. Among our responsibilities as a participant in the VPSHR is maximizing awareness of the VPs through training.

In 2016, our operations in Ghana built on the lessons learned from a pilot conducted the prior year by expanding training to beyond those working in a security role. Participants completed lessons and were given thought-provoking scenarios, such as situations that require the use of force and handling complaints and grievances related to human rights.

The region set a target for at least 60 percent of Newmont's employees in senior management and management roles and 40 percent of business partner personnel to participate in the training. Along with exceeding the participation

target among employees and business partners, Newmont also partnered with the national police academy to train police officers in Ghana.

In early 2016, our Ahafo mine was a finalist for the U.S. Department of State Bureau of Economic Affairs' Corporate Excellence Award (ACE), in large part due to its human rights training and awareness programs. Newmont was the first mining company nominated for the award, which recognizes U.S.-based companies that are leaders in responsible business conduct worldwide.





Compliance

With operations around the world, we must work within a wide range of laws and with a multitude of regulators. Our exploration, development, mining and process operations are subject to extensive laws and regulations governing worker health and safety, land use and environmental protections. Ensuring compliance in this increasingly complex regulatory environment is crucial to securing our license to operate and protecting our reputation.

All the Newmont site managers are required to certify their environmental management systems to the internationally accepted ISO 14001 standard. All sites maintained their certification as ISO 14001 compliant in 2016. Our Akyem operation received its initial ISO 14001 certification following a third-party certification audit process.

EVENTS

We track events using a global database and rate the environmental, social, safety, health, security, financial, operational and legal impacts of events on a severity scale of zero to five. Level 0 events are near misses that did not result in injury or damage but had the potential to do so. Level 1 and 2 events have relatively minor impacts, and Level 3 to 5 events result in more significant impacts.

In 2016, we experienced one Level 3 event at the Akyem operation. A truck carrying explosives that was parked in a safe explosives containment area, per procedure, caught fire due to a malfunction of its electrical system. A small quantity of hydrocarbons was released in the containment area. The event was contained within the property boundary and immediately cleaned up with no lasting environmental impact.

Environmental releases by number of incidents

	2012	2013	2014	2015	2016
Total environmental releases on site	68	70	84	43	77
Total environmental releases off site	1	1	0	0	0
Total environmental releases	69	71	84	43	77
Cyanide releases	60	69	76	41	77
Mercury releases	2	0	0	1	2
Significant hydrocarbon releases	3	1	6	1	1
Significant chemical releases	2	1	1	0	
Other significant releases	2	0	1	0	1
Total Level 3 releases	11	7	9	5	6
Total Level 4 releases	0	0	0	2	0
Total Level 5 releases	0	0	0	0	0

Environmental releases by volume (kL)

	2012	2013	2014	2015	2016
Cyanide	90	3,373	98.7	582	8,271.4
Mercury release (kgs)	0	0	0	0.01	1.7
Hydrocarbon (significant)	3	1	42	2	1.5
Chemical (significant)	44	723	40	0	0
Other (significant)	310	0	5	0	13.2



OUR PEOPLE

Our workforce is the foundation of our business. Providing our people a safe work environment is our top priority, and supporting their wellbeing and promoting an inclusive and diverse culture are vital for maintaining a competitive advantage through our people.

Safety

The safety of our people and the communities in which we operate is our top priority with the right to life and right to safe working conditions among our most salient human rights issues. Mining involves hazards that include working with mobile equipment, heavy machinery, explosives and electrical systems. However, we strongly believe it is possible to effectively manage the risks associated with these hazards so that everyone returns home safe at the end of the day.

Our Health and Safety Policy details our commitment to protecting workers, business partners and visitors. A set of standards provides the governance, structure and minimum requirements to achieve our goal of a workplace free from fatalities and serious injuries.

Critical to our efforts in preventing fatalities and serious injuries are rigor and discipline around identifying those risks that can lead to fatalities or serious injuries and implementing the appropriate systems, processes and controls. To achieve our goals, we are focused on the following key drivers:

- **Fatality prevention** – Elements of our Fatality Risk Management program include clearly identifying the controls that really matter (critical controls); ensuring accountability for implementing controls; verifying them; and reporting on the effectiveness of the controls. Also essential in preventing fatalities is conducting quality event investigations and ensuring lessons are truly learned and not just shared.
- **Employee engagement** – Maturing our culture requires an environment where people feel empowered to work only when it is safe, stop work when they feel at risk, and have the courage to approach others and speak up when they see hazards or at-risk actions. Each Newmont operation conducts engagement that best fits the site's culture with some sites developing more formal approaches, such as the employee-led Vital Behaviors teams at our Carlin operations in Nevada.

- **Leadership** – Preventing fatalities and engaging employees requires visible felt leadership and quality safety interactions. We measure our health and safety performance by leading indicators – such as safety interactions and implementation of effective critical controls – and by tracking lagging indicators – such as injury rates. All significant events are investigated, and lessons learned are shared with workers. Investigations and corrective actions to prevent recurrence related to serious potential and actual events are reported to the executive leadership team and Board of Directors.

With contractors constituting more than 50 percent of our workforce, we conduct contractor training programs and regular safety reviews in contractor work areas. Technical safety training is provided to all employees working at our mine sites, and safety inductions are conducted for all site visitors.

As required in our Emergency Preparedness and Response Standard, every Newmont facility must identify, plan for and be able to respond effectively to emergency situations. Each mine site has emergency response teams who participate in specialized training and mock drills. A number of these teams also participate in competitions that test the teams' preparedness and competencies against industry peers.

We are committed to learning from and sharing best practices with others. We actively participate in programs to improve our performance as members of the International Council on Mining and Metals (ICMM) and the Mining Safety Roundtable. We also participate in regional health and safety programs such as the Ghana Chamber of Mines.



2016 Performance

While we are pleased to report that no fatalities have occurred at any Newmont site or facility since September 2015, we continue to have injuries and potentially serious events, highlighting the importance of our Fatality Risk Management work.

Our global Total Recordable Injury Frequency Rate (TRIFR) of 0.32 remained unchanged compared to 2015. While this performance was among the best of all International Council on Mining and Metals (ICMM) member companies, we did not achieve our goal to reduce the rate by another 10 percent.

2016 Africa regional performance							
Exposure hours	Fatalities	Lost time injuries	Restricted work injuries	Medical treatment injuries	Lost days	LTIFR (lost time injury frequency rate)	TRIFR (total recordable injury frequency rate)
11,971,694	0	2	1	7	54	0.03	0.17





Safety – Case Study

GENERAL MANAGER SPONSORSHIP PLAYS CRITICAL ROLE IN PREVENTING FATALITIES

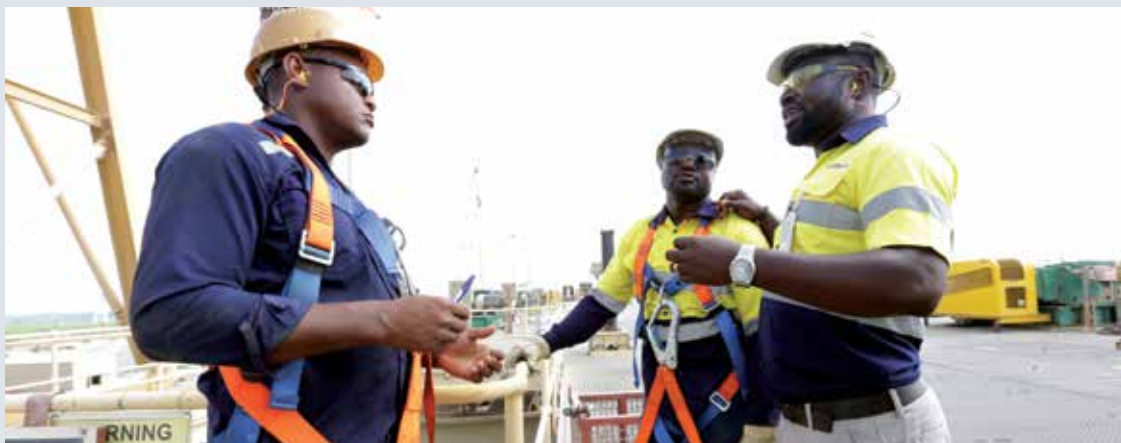
We recognize that Newmont's leaders are in a unique position to make decisions and dedicate resources that impact our culture and performance. In our effort to eliminate fatalities from our business, the general managers from each one of our operations are playing a vital role in managing and mitigating our top fatality risks.

Launched in 2016, our global Fatality Risk Management program focuses on identifying our top risks – including mobile equipment and vehicle events, working in confined spaces or at heights, exposure to energy releases and electricity, lifting heavy loads, and mine wall failures – and developing more robust controls and systems to manage them and prevent fatalities.

Demonstrating their commitment to sending their team members home safe every day, every Newmont general manager is a sponsor of one of the top fatality risks identified during cross-functional global workshops. As sponsors,

they are responsible and held accountable for ensuring the critical control management plans for each risk are in place and consistent across Newmont.

"I believe the fact that all GMs sponsored at least one of the recognized global top fatality risks will drive strong ownership throughout the operations and help provide practical input from the operations, which is absolutely critical for the Fatality Risk Management program to succeed and for us to eliminate fatalities from our business," said Joep Coenen, General Manager at the Ahafo mine.





Health

In 2016, our global Occupational Illness Frequency Rate (OIFR) increased to 0.18 from 0.06 in 2015, largely due to an increase in malaria cases in Ghana (28 in 2016 compared to nine in 2015) and an event at our Tanami operation in Australia where 12 workers were exposed to sulfurous fumes. The event occurred during preparations for a scheduled plant shutdown. Of the 12 individuals, four received first aid treatment and returned to work, and the other eight were monitored but did not require treatment.

While all Newmont operations comply with regulations and requirements related to workplace exposures, we increased our focus during the year on identifying opportunities to further reduce exposures below the required levels. Using the 2015 baseline exposure reduction index (ERI) data, we set a target to reduce acute and chronic illness and diseases associated with exposures by 10 percent, and we exceeded that target, achieving a 16.5 percent reduction. Efforts in support of this performance included:

- To minimize exposures to harmful airborne contaminants, all operating sites implemented ERI measurement, control management plans and monitoring for their key identified health risks.
- Exposures were successfully reduced through new mitigation measures that included wet sweeping, examining welding rod products, installing diesel particulate filters, improving cab seals and adjusting ventilation designs.

Other activities in 2016 among our focus areas:

- Evaluated fatigue detection technologies at our operations in Ahafo and Akyem.
- Developed a new Community Health Standard that will establish a more robust community health impact assessment process and screening on real and potential health exposures and risks. The standard will also require new assessments whenever a new impact or health risk arises in the community.
- Continued our long-standing partnership with Project C.U.R.E., the world's largest distributor of medical donations to developing countries. Among efforts during the year:
 - Provided free medical care to more than 4,400 community members who reside near our operations in Ghana, Peru and Suriname;
 - Delivered donated medical supplies valued at nearly \$1.2 million to health centers near our Akyem and Merian operations in Ghana and Suriname, respectively; and
 - Facilitated neonatal training for 115 healthcare providers as part of the "Helping Babies Breathe" program.
- Organized a "Fitness Challenge for Charity" initiative using an online app that promotes friendly competition among co-workers and a fun way to engage in physical activities and raise money for charities. Nearly 400 employees across all regions participated.





Our Workplace

Our workforce is the foundation of our business. We recognize our long-term success depends on fostering a work environment that promotes an inclusive culture where everyone has the opportunity to contribute, develop and work together to deliver our strategy.

These efforts are guided by our Code of Conduct and our global People Policy, which states our commitment to select and develop our employees and establish a work environment where everyone takes part in reaching our goals while feeling a sense of pride in working at Newmont.

Supporting these commitments are our global standards on Employment; Compensation and Benefits; Global Inclusion and Diversity; Labor Relations; Conduct and Non-Discrimination; and Talent and Performance Management.

Our human capital strategy ensures our talent management efforts support the execution of our overall business strategy. It focuses on leadership and talent development, employee value proposition, labor relations, growth and stability, and the next generation workforce.

Another key strategy element is global inclusion and diversity, which are core values and strategic priorities for Newmont. Our global inclusion and diversity strategy focuses on three key areas: integrating principles, practices and content into the workplace to encourage inclusive behaviors; increasing the representation of women, nationals, local and indigenous people (where applicable) and other diverse people throughout our workforce; and establishing community partnerships that support the development of a diverse talent pipeline and our values of inclusion and diversity.

We set diversity representation targets to help clarify our priorities and evaluate the effectiveness of our efforts. Feedback from employee surveys – as well as quarterly updates to the executive team and Board of Directors' Leadership Development and Compensation Committee and annual updates to the full Board – provide an opportunity to review our progress and adjust our approach as needed.





Our Workplace – Case Study

FOSTERING INCLUSION AND DIVERSITY BEYOND THE MINE

Newmont operates in areas rich in diversity of culture, experience, thought, race and ethnicity. Our commitment to recognize, respect and leverage each other's differences and similarities extends beyond our employees and mine boundaries and into the communities where we operate.

Creating greater gender diversity in a predominantly male industry is among the priorities of our inclusion and diversity journey. One way we work toward addressing this issue is by supporting and partnering with community programs that share our goal to expand economic opportunities for women.

At our Ahafo mine, the Newmont Ahafo Development Foundation (NADeF) established the Women's Consultative Committee (WCC) in 2008 to ensure women were consulted on decisions such as land access, job opportunities and community development.

The WCC is a community-led organization made up of women that includes traditional tribal authorities such as queen mothers, elected representatives and association members. In addition to skills training, capacity building and health awareness programs, the WCC also economically empowers women through its Self-Help Fund, which disburses loans to WCC members and other women in the Ahafo communities. These loans give women direct banking experience and a source of funding for their business ventures as long as repayments are made.

"When Newmont started mining here in Ahafo, they realized women in the area were quite inhibited. That was because we thought that, as women, our only place was in the kitchen. We didn't know about women's rights, how to speak in public, and we didn't know we could do things that men do," said Mary Aboagye, the WCC representative for Wamahinso. "Through the WCC trainings, I became an assemblywoman, and I have also been recruited by an NGO, Mission of Hope, to educate the community on child rights."

In 2016, both the Africa and corporate Women and Allies employee-led business resource groups (BRG) engaged the WCC to share and better understand their story. This motivated the corporate Women and Allies BRG to raise more than \$8,200 for the Self-Help Fund through donations and Newmont's Matching Gifts Program.





ECONOMIC AND SOCIAL PERFORMANCE

Providing jobs, paying taxes and royalties, sourcing with local businesses, investing in community programs and infrastructure, and fostering mutually beneficial relationships are crucial for our long-term success and ability to be a catalyst for sustainable socio-economic development.

Value Sharing

Our ability to explore for, develop and operate mines near communities around the world depends on our ability to do so in a manner that creates social and economic benefits in the surrounding communities. The jobs we generate, goods and services we procure, investments we make in community programs and infrastructure, and taxes and royalties we pay to national and local governments can help catalyze socio-economic development, support essential government services and programs, and raise the standard of living in host communities. We are committed to strong governance, multi-stakeholder engagement, and transparency around payments to local and national governments in order to increase accountability, develop trust, create mutual value and reduce corruption.

\$75 MILLION paid in **EMPLOYEE WAGES** and **BENEFITS**

US\$363 MILLION of **VALUE ADDED** to the Ghanaian economy

US\$1.03 BILLION of **REVENUE** generated

US\$78 MILLION paid to **GOVERNMENTS**
(\$36 million in government royalties and \$42 million in taxes)





Local Employment and Business Opportunities

Hiring locally and sourcing from local suppliers benefits host communities in many ways including reduced poverty, improved skills and the opportunity to achieve long-term growth and economic diversification.

LOCAL EMPLOYMENT AND SKILLS DEVELOPMENT

Aligning local and indigenous employment with our broader global inclusion and diversity strategy was a significant area of focus for us in 2016. At the end of the year, local community members represented 39.2 percent and 47.1 percent of the total workforce (inclusive of contractors) at Ahafo and Akyem, exceeding our targets of 24 percent and 35 percent, respectively. The longer-term employment commitment at our Akyem operation is 50 percent within 10 years of commencing operations.

Activities in 2016 to fulfill our local employment goals and commitments include:

- Our apprenticeship program offers skilled mechanical and electrical specialist training. Graduates of the program are offered employment in a variety of roles including process operators, specialized trades and maintenance. Out of a total of 182 graduates since the program began in 2005, Newmont currently employs 128.*
- At the Akyem operation, our learnership program provides opportunities for local community members to gain experience in mine processing and operations. Since the program was introduced in 2015, 40 local community members have enrolled in the six-month program and eight have been hired at Akyem.

* In previous years, we incorrectly included graduates from outside the apprenticeship program, which resulted in an overstatement of total graduates and current employees from the apprenticeship program.

LOCAL PROCUREMENT AND CAPACITY BUILDING

Among the notable local supplier programs and events during 2016:

- Our Ahafo operation was honored by the Association of Ghana Industries and the Ghana Chamber of Mines for its leadership role and commitment to local content development in the country.
- We formally met with a Ghanaian delegation of local business owners and regulatory leaders to discuss ways we could further collaborate and expand future opportunities for local business owners in Ghana.
- We executed a regional agreement with WAFOR, a local-local grinding media supplier based in Accra, to supply at least 50 percent of the grinding media requirements at Ahafo and Akyem.

US\$18 MILLION in GOODS AND SERVICES purchased from LOCAL BUSINESSES and US\$300 MILLION from other GHANAIAN SUPPLIERS in 2016





Future Focus

Our local employment and procurement targets for 2017, which are determined in the course of the business planning cycle, are as follows:

Local employment		
Region	Site	2017 Local employment target
Africa	Ahafo	24 percent local-local workforce (including contractors). Targets were set in consultation with the community.
	Akyem	35 percent local-local workforce (including contractors). Targets were set in consultation with the community.

Local procurement		
Region	Site	2017 Local procurement target
Africa	Ahafo	\$10 million – the decline in the target compared to 2016 actuals is based on the identifiable opportunities within the context of the 2017 regional business plan.
	Akyem	

We continue to seek opportunities to advance our local employment and procurement programs. Specific areas of focus include:

- Working with the Ghana Chamber of Mines to develop a long-term national policy and supplier development program to help promote sourcing from local businesses within the mining industry and beyond.
- Initiating work to integrate the relevant United Nations Sustainable Development Goals (SDGs) into our business. For the “decent work and economic growth” goal (SDG-8) – one of our five priority SDGs and where we have in place many existing systems and projects, such as our learnership program in Ghana and indigenous training programs in Australia – we will work to set meaningful targets that align with and have the greatest impact on the goal. Recognizing the need for public-private partnerships in achieving the goals, we will also seek opportunities for collaboration both within our industry and across sectors.
- Re-evaluating our approach to local employment and targets to ensure alignment with our overall global inclusion and diversity strategy.





Local Employment and Business Opportunities – Case Study

APPLYING OUR AWARD-WINNING PROGRAM IN GHANA TO ONE OF OUR NEWEST OPERATIONS IN SURINAME

Building local industrial capacity is one of the most effective ways to translate mining-induced development into diverse economic growth. At our Ahafo mine, we have worked with the government, host communities and local enterprises over the past decade to identify qualified local suppliers and develop local capacity where gaps exist.

In 2016, these efforts were recognized by the Association of Ghana Industries (AGI) as well as the Ghana Chamber of Mines, which named Ahafo the Mining Company of the Year in part because of its support for local content.

Among the programs the AGI noted as important in building local capacity was the Ahafo Linkages Program (ALP), which we created in partnership with the International Finance Corporation (IFC) nearly a decade ago.

The ALP's aim was to develop local micro-, small- and medium-sized enterprises that provide goods and services to the mine as well as facilitating the development of non-mining businesses to support a diversified local economy. Since entering commercial production in 2006, Ahafo has awarded contracts to around 500 local businesses through the ALP and other programs. Three companies that benefited from the ALP – Alexiboam Company Ltd., Sarfpok Ltd. and Evachap – have themselves gone on to earn industry recognition for their commitments to safety and sustainable development.





Community Investments

Working with host communities to invest in education, health, local economic development, infrastructure improvements and capacity development programs can help address challenges, catalyze long-term socio-economic development and minimize dependency on the mine during operations and upon closure.

Our commitment to strengthen the communities where we live and work is stated in our Sustainability and Stakeholder Engagement Policy. Guiding our approach to equitably improve quality of life and create mutual value is our Community Investment and Development Standard.

Sites must use existing baseline studies, assessments and government development plans, along with robust community engagement, to develop a community investment strategy that identifies each opportunity, along with the resources needed to deliver on the commitment. Each site must review and update its strategy a minimum of every five years.

In addition to the direct investments our operations make toward community infrastructure and social programs, our operations in Ahafo and Akyem have established community foundations or funds that support community needs during the mine life and after operations cease. The foundation boards include community members to ensure community ownership and participation in the foundation's efforts. Investments generally focus on capacity building, community health and education, infrastructure development, and livelihood and skills building.

For all community donations, a transparent process is used to document and review each contribution to ensure compliance with the Partnering Against Corruption Initiative (PACI) and Foreign Corrupt Practices Act (FCPA).

We pursue partnerships with NGOs, development organizations and government agencies to ensure our investments effectively address local challenges and opportunities.

2016 Performance

Among the notable investments and activities in 2016:

- The Newmont Ahafo Development Foundation (NADeF) supports development projects in the 10 communities near the Ahafo mine. In 2016, Newmont contributed approximately \$935,000 to NADeF, bringing our total contribution since 2007 to \$24.5 million. During the year, NADeF – in partnership with the Bright Generations Foundation – established a bamboo bicycle manufacturing facility to train and employ youth from two local communities. The initial workforce of nearly 40 local youth participated in six months of skills training to prepare for the facility to enter full operations in early 2017. The facility is expected to annually produce 375 bamboo bicycle frames for local and international customers.
- The Newmont Akyem Development Foundation (NAkDeF), which has a similar structure to NADeF, supports development in the communities near the Akyem mine. Newmont contributed nearly \$1.94 million to NAkDeF in 2016 and a total of \$5.8 million since 2013. In 2016, NAkDeF launched the School Feeding Program, which provides free meals to kindergarten and primary school students and has contributed toward notable increases in school enrollment and attendance at the local resettlement school.
- The Ahafo operation commissioned a third-party economic feasibility study to identify viable economic development enterprises that generate jobs and grow the prosperity of the communities near the Ahafo mine. The study prioritized options to stimulate local economic development and included recommendations on strategies to realize the opportunities.

US\$4.08 MILLION invested in
COMMUNITIES IN GHANA through
monetary and in-kind support





Community Relationships

Securing the support and acceptance of our host communities is essential to our sustainability as a business. We strive to build relationships based on mutual respect and trust so that together with our host communities we contribute toward social and economic development, improved standards and long-term benefits.

Our Sustainability and Stakeholder Engagement Policy outlines this commitment and is supported by our Stakeholder Relationship Management Standard as well as our Social Baseline and Impact Assessment Standard, which detail the minimum requirements to plan, manage and monitor our performance throughout the mine lifecycle.

Our external relations strategy provides the framework to align and enhance best practices, focus on where improvement is most needed, and better integrate community relations objectives – such as hiring and procurement in local communities – into the broader business.

Our standards require sites to have a comprehensive strategic stakeholder engagement plan and conduct and/or update baseline studies and impact assessments to inform our approach and identify opportunities for improving the communities' long-term outlook.

Most of these assessments are conducted by external, independent experts and include extensive input and review from the community. Final reports are expected to be made public and available to local communities. Findings from the studies are addressed through our social management plans, which are regularly monitored and evaluated against objectives and requirements.

Our standards also require an open and transparent process where stakeholders' complaints are dealt with fairly and in a timely manner. All sites must maintain a complaints and grievances (C&G) register and ensure stakeholders know how to raise concerns. We use a three-tier system where tier 1 complaints are those that can be resolved between Newmont and complainants without the need for external mediation and/or legal proceedings. These tend to be related to matters that we directly control. If a complaint is unable to be resolved in a timely manner or relies on local systems, it is escalated to tier 2, where an independent mechanism identified by the community – such as a local leader or committee – is used. Disputes that cannot be resolved by the parties involved, typically those that require legal intervention, are categorized as tier 3.

2016 Performance

In 2016, the Ghana Environmental Protection Agency held public hearings to gather input and comments from community members on Newmont's proposed Ahafo Mill Expansion and the Subika Underground project. The EPA public hearings demonstrated broad support of the projects as well as highlighting the importance of identified mitigation actions to reduce overall project impacts on area water resources.

One of our more effective tools in building a greater understanding between our stakeholders and us is hosting site tours where people can get a firsthand look at how we operate. In 2016, our Ahafo team hosted the Global Media Foundation (GLOMEF), a human rights and anti-corruption media advocacy organization based in the Brong-Ahafo region and gave them a tour of the operations and community investment projects. The visit was part of a larger engagement effort between Newmont and GLOMEF to collaborate on human rights initiatives.

2016 Complaints or grievances recorded on site registers

Site	Number	% Resolved within 30 days
Ahafo	181	98%
Akyem	56	100%





Resettlement and Land Use

We mine where ore bodies are located and when we have the social license and all the required regulatory approvals to do so. At times, mine development results in unavoidable relocation and resettlement of households and/or livelihoods. These resettlement activities can pose significant economic, social and environmental risks – the right to an adequate standard of living being a salient human rights issue associated with our business activities.

Our commitment to assess and respect the rights and needs of landowners and local communities prior to any land acquisition and resettlement activities is stated in our Sustainability and Stakeholder Engagement Policy. Supporting this commitment is our Land Acquisition and Involuntary Resettlement Standard, which sets the minimum requirements for activities that require relocation of homes and communities or disruption of livelihoods.

Our approach is aligned with the International Finance Corporation (IFC) Performance Standard 5, which states that the first objective is to avoid resettlement. And when alternatives are not available, we work to meet the standard's requirements to ensure affected people and communities are engaged to make informed decisions; adverse impacts are minimized; and livelihoods and living conditions are restored or improved.

Prior to conducting any resettlement activities, we work with local stakeholders to develop resettlement action plans (RAP), which address the impacts of physical displacement, and/or a livelihood action plans (LAP), which address the economic impacts. Sites regularly monitor and evaluate RAPs and LAPs and annually conduct audits by qualified external experts to ensure activities are meeting the needs of affected persons.

We are one of four mining industry partners in the Mining, Resettlement and Livelihood Research and Practice Consortium. Together with the University of Queensland's Centre for Social Responsibility in Mining, this industry-university working group aims to better understand how resettlement risks are managed, identify strategies to improve livelihood outcomes for those affected by resettlement, conduct research, and help inform policies that lead to more effective practices.

ARTISANAL AND SMALL-SCALE MINING

Our Sustainability and Stakeholder Engagement Policy includes our commitment to work with appropriate government, community and other stakeholders in a manner that respects human rights and livelihoods – and promotes improved conditions – where ASM activities take place in our operating areas.

Currently, ASM activities take place on or near four (representing 33 percent) of Newmont's operations – Ahafo and Akyem in Ghana, Merian in Suriname, and CC&V in the United States. Our exploration teams also encounter ASM activities.

Through a participatory process with internal leaders and stakeholders who are impacted by ASM, we created an ASM strategy to help us explore, develop and operate in places where small-scale miners work and promote improved ASM practices. The strategy's four main objectives are:

- **Security** – Enable safe and secure access to Newmont's assets, interests and concessions in proximity to ASM activities
- **Performance** – Manage our environmental, social, security, health and safety risks and impacts caused by ASM activities
- **Livelihood development** – Collaborate to empower and improve livelihood options associated with the local economy
- **Influence, learn and align** – Monitor, engage and influence ASM policy and practices and align with the needs of Newmont's exploration, projects and operations

The strategy helps guide regions and sites on how to characterize and manage related risks through implementation plans that reflect local ASM activities and their proximity to Newmont's operations.

We collaborate with international experts and organizations, as well as national and local governments, to help legitimize ASM and improve safety and environmental protections. We also work with governments to identify land in our licenses to set aside for responsible, legal ASM.



2016 Performance

In 2016, we resettled a total of 36 households due to mine expansion activities at our Ahafo operation. Prior to resettlement, an independent survey of crops, immovable properties and land interests was conducted. The process involved community stakeholders including the community's chief farmer, members of the Resettlement Negotiation Committee (RNC) and officials from the Government of Ghana's Land Valuation Division of the Lands Commission. The resettlement packages, which included livelihood re-establishment support, were negotiated with the RNC, and the resettlement houses were constructed by local contractors.

In addition to developing and implementing our global artisanal and small-scale mining (ASM) strategy, during the year we formed a cross-functional working group to ensure alignment across regions and functions, facilitate knowledge sharing and identify potential partnerships. We engaged with external stakeholders to obtain feedback on the strategy, which identified opportunities to address gaps related to the middle part of the supply chain and the role of women in the ASM sector. The Ahafo and Akyem operations in Ghana, the Merian operation in Suriname and all Newmont exploration projects with an ASM presence identified risks and opportunities and developed action plans to address any gaps between existing practices and the strategy.

We participated in a four-day International Institute for Environment and Development (IIED)-led visioning workshop to launch the Multi-Stakeholder Dialogue Series on Artisanal and Small-Scale Mining, which aims to challenge assumptions and explore new ways to create positive change in the sector.

Future Focus

Work will continue throughout 2017 to advance implementation of our ASM strategy. To support the regional action plans, we will hold workshops to review overall strategic objectives, stakeholder activities and other key elements of the plans. Learnings from these workshops will then be shared with our cross-functional ASM working group with the overall goal of improving the implementation plans and their effectiveness on the ground at each respective site.





Resettlement and Land Use – Case Study

EXPANDING OUR APPROACH BEYOND RESETTLEMENT COMMUNITIES

When the location of ore and associated mining activities requires resettlement of people, Newmont follows the International Finance Corporation's standards, which are considered the global benchmark for stakeholder engagement and restoration of livelihoods. But for those who live near these activities and do not need to be resettled, they often feel left out of many of the benefits that come with resettlement.

At our Ahafo operation, we are working to address impacts to those who live in communities just outside the mine boundary and seek these benefits.

Because most of Ahafo's complaints and grievances were coming from these communities, in 2015, we implemented a strategy to create mutual value and build relationships with these important stakeholders. The strategy's focus areas for 2016 included:

- **Engagement** – proactively inform, involve and consult stakeholders on mine-related issues and concerns and independently assess efforts
- **Support** – conduct needs assessments and promote community development through micro-enterprises, local employment and supplier opportunities, agriculture improvements, critical infrastructure investments, public health and education programs, and training
- **Monitoring** – provide opportunities for participatory monitoring of dust, noise levels and water quality

- **Integration** – incorporate communities into existing programs and platforms within the larger community, such as the resettlement community's water management committee

While still early in its implementation, this strategy has resulted in positive outcomes. Examples include a significant increase in cocoa production as a result of agriculture improvement support and increased income generation and greater women's involvement through micro-enterprise programs. In addition, complaints and grievances from these communities significantly declined from 26 in 2014 to four in 2016.





ENVIRONMENTAL STEWARDSHIP

We focus on minimizing and mitigating our impact on water, land, air quality, climate and biodiversity, and working with stakeholders on systemic solutions to complex environmental challenges.

Water

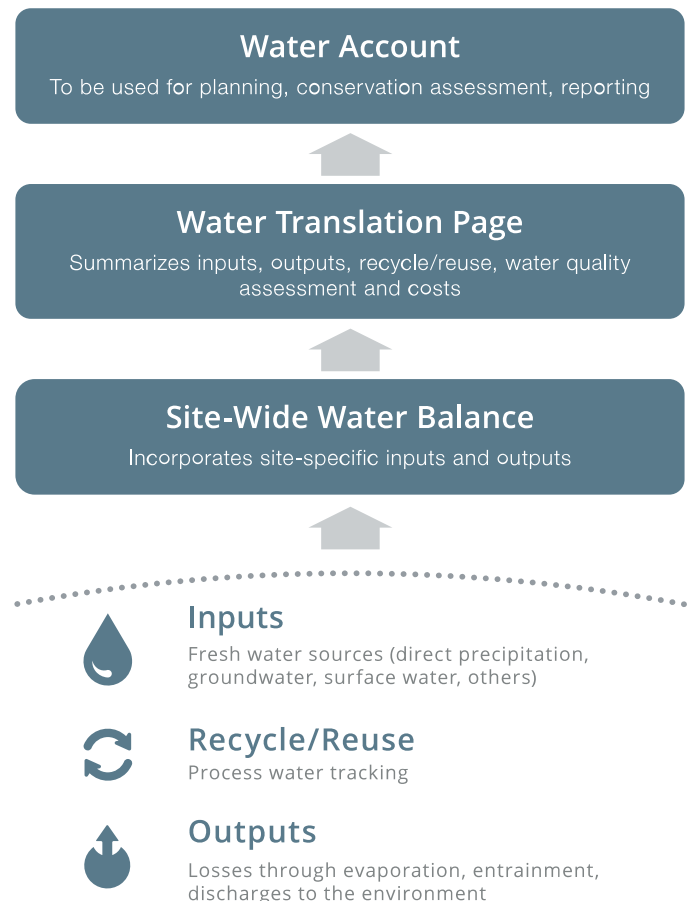
Our operations rely on access to reliable water sources. With populations growing and climate change impacting the predictability of water supplies, our water risks are becoming increasingly broad and complex. In fact, the right to clean drinking water is one of the salient human rights issues associated with our business activities.

Our commitment to create a positive water stewardship legacy is stated in our Sustainability and Stakeholder Engagement Policy. Guiding our approach to fulfilling this commitment is our Water Management Standard, which sets the minimum requirements to proactively plan, manage and monitor our risks and performance throughout the mine lifecycle to protect human health, the environment and water resources.

Through our global water strategy, we work to fully understand the watersheds where we operate; participate in addressing watershed challenges for communities, other water users and the operation; and transparently report on our performance. The strategy also more clearly links technical and scientific water management practices with our long-term strategic and social responsibility objectives, including managing our human rights risks.

As our operations are located across the world, each operating site has different water needs and challenges depending on the supply, demand and water quality within the watershed. Because risks and impacts vary, we develop site-specific water management charters, which help sites define how to assess their risks and continually improve their water management.

Through Water Accounting Frameworks (WAF), each site defines, measures and reports water use by inputs, outputs, diversions and water quality. The WAFs classify consumed (input) and discharged (output) water quality as category 1 (close to drinking water standards), category 2 (suitable for some purposes but non-potable without treatment) and category 3 (unsuitable for most purposes).





Because our total water consumption can vary due to factors such as new mines and divested assets, we also report on our water intensity. We calculate water intensity as the amount of water needed per consolidated gold ounce equivalent produced. We believe these are meaningful metrics to track how we manage this resource. Based on feedback, we updated our water intensity metric in 2016, changing it from kiloliters per tonne of rock mined to the current metric of kiloliters per consolidated gold ounce equivalent produced, to better align with other external reporting methods and requirements.

We use saline or non-potable water as well as recycling and recirculation techniques and technologies to minimize overall fresh water use to the greatest extent possible. Water treatment technologies also help improve water quality so we can safely discharge it back into local basins.

All our operations recycle process water to minimize the use of fresh water to the greatest extent practicable, and all are considered zero process discharge facilities with the exception of Yanacocha, which discharges water during the wet season. Water is treated, if necessary, to meet the applicable water quality standards and regulatory requirements before being safely discharged back into the environment. As part of our water strategy, sites identify opportunities to work with stakeholders on timing and uses of the discharged water.

We disclose our water management performance in the CDP's annual Global Water Report. Water consumption and/or groundwater extraction is reported in most jurisdictions to governments and fee assessors. In addition, we routinely report on water quality and total discharges from sites.



2016 Performance

The Ahafo operation continued work on the construction of a reverse osmosis (RO) water treatment plant and is working with the Ghana Environmental Protection Agency (EPA) on permitting approvals. To ensure water discharged from the RO plant meets all standards, we will begin construction on an additional treatment train – a sequence of treatment processes – for the brine from the RO, with completion and testing of this facility planned for 2017.

In addition, to reduce the fresh water intake from the water storage dam, our Akyem operation constructed a dewatering pond to collect both impacted and clean pit water, which will reduce fresh water intake from the reservoir by 45 percent.

Future Focus

Implementing our global water strategy is a long-term, evolving process. Our fresh water reduction targets aim to account for our sites' unique water needs and challenges while also recognizing that operations are at different stages of their water stewardship journey. For example, our operations in Ahafo and Akyem have the highest fresh water reduction targets over the next three years largely due to the new reverse osmosis plant coming online in 2017 that will treat water that was previously unusable for operations.

Other areas of focus for improving our water stewardship performance in 2017 include:

- We will initiate work to integrate the relevant United Nations Sustainable Development Goals (SDGs) into our business. For the “water and sanitation” goal (SDG-6) – one of our five priority SDGs and for which we have in place many existing systems and projects such as our investments in potable water systems in host communities – we will work to set meaningful targets that align with and have the greatest impact on the goal. Recognizing the need for public-private partnerships in achieving the goals, we will also seek opportunities for collaboration both within our industry and across sectors.
- Another area of improvement planned for 2017 is the focus on continuing our watershed work and conducting water stewardship workshops in each of our regions. These workshops will focus on how we can raise awareness of the importance of water in each of the areas where we operate.



Water – Case Study

CREATING POTABLE WATER SOURCES FOR GENERATIONS TO COME

At the Ahafo mine, we have partnered with the communities near the mine for more than a decade to develop and strengthen their potable water infrastructure. Much of this work has been done in Ntotroso and Kenyasi, where community members who were resettled as a result of mining activities reside.

Initially, small potable water systems were built and a Water and Sanitation Committee (WATSAN) – composed of trained committee members – was formed to develop the knowledge needed for community members to ultimately independently manage their water system. In 2010, work started on the

Kenyasi Water Project (KWP) – an expansion and integration of the water systems. Today, there are three water systems serving more than 50,000 residents, and activity is expected to continue with additional boreholes and the construction of a new overhead reservoir planned for 2017.





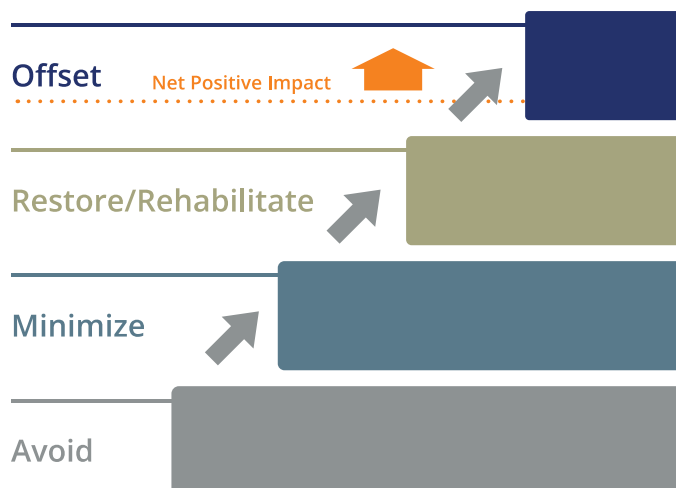
Biodiversity

Managing the impacts our activities have on biodiversity and related ecosystem services is critical to habitat conservation and protecting the water, air, soil and food sources upon which host communities and our operations depend. Through partnerships with governments, NGOs, academia and communities, we aim to build long-term biodiversity management strategies that deliver sustainable conservation outcomes.

All operating sites must conduct biodiversity risk assessments, and new projects or expansions at existing sites must conduct biodiversity and ecosystem impact assessments. Findings are used to develop biodiversity action plans (BAPs), which provide strategic direction toward conserving species of concern, minimizing disturbances and improving habitat through reclamation of disturbed areas. Sites with key biodiversity values specific to the area must have BAPs that satisfy the Mitigation Hierarchy, which is a widely accepted approach for biodiversity conservation.



MITIGATION HIERARCHY



- Avoid impacts by locating facilities and access routes away from natural and critical habitats;
- Minimize impacts through the use of appropriate management systems and mine plan designs that limit land disturbance throughout the mine life;
- Restore/rehabilitate ecosystems by progressively rehabilitating affected areas during operations and at closure with a goal of eliminating the impact over time through preservation or maintenance; and
- Offset residual impacts through programs to compensate for biodiversity losses when long-term residual impacts cannot be avoided.



As a member of the International Council on Mining and Metals (ICMM), we commit to not explore or mine in world heritage sites, which are considered to be of outstanding global value. We also comply with all regulations and requirements within any geographically defined areas that are designated, regulated or managed as protected areas.

We currently have mining operations in regions that have been identified by Conservation International as biodiversity hotspots – namely, the Tropical Andes (Peru), the Guinean Forests of West Africa (including Ghana) and Southwest Australia.

Location and size of Newmont's operations in relation to key biodiversity areas

Operation	Key biodiversity area (KBA)	Position relative to KBA	Size of operational site (km ²)	Ecological sensitivity	Partners/ collaborators	Mitigation plan
Akyem in Ghana	Ajenua Bepo Forest Reserve (not KBA but habitat for species)	Contains portions of	20	Habitat for IUCN red-listed tree species <i>C. boxianna</i> (endangered)	Conservation Alliance Forestry Research Institute of Ghana	Partnering with Conservation Alliance and Forestry Research Institute of Ghana to implement critical species management program (CSMP) for <i>C. boxianna</i> and other nationally important species. Established nurseries to raise seedlings to plant at various locations within the mine area.

2016 Performance

During the year, we held workshops where all sites developed biodiversity action plans (BAPs) for existing operations. In Africa, we:

- Piloted an ecosystem services approach for the Ahafo North Stage 2 environmental baseline assessment that included engaging Fauna & Flora International to conduct an ecosystem services study.
- Signed a memorandum of understanding (MoU) with the Ghana Forestry Commission (GFC) for our Akyem operation to initiate a reforestation program that involves reclaiming 257 degraded hectares in the Kweikaru Forest Reserve. This project is the second reforestation program. Combined with the first phase covering 60 hectares, the two projects cover around 300 hectares, which is approximately three times Akyem's impacted area to the forest reserve due to mining. At the end of 2016, site preparation had been completed on 90 hectares, 85 hectares had been sectioned off, and 75 hectares planted with both indigenous and exotic timber plant species.
- Collaborated with the GFC to select an alternate globally significant biodiversity area (GSBA) for our biodiversity offset program because of the non-availability of the Tano Offin Forest Reserve.

Future Focus

Notable efforts in 2017 to ensure an effective approach to biodiversity conservation will include continuing reforestation activities at our Akyem operation, including maintenance of the completed reforestation area and reforestation of the remaining 182 hectares.





Closure and Reclamation

Closure and reclamation of a mining property is a complex process. Done poorly, a closed mine can leave behind safety and environmental issues, economic and social community challenges, and ongoing costs and liabilities. Abandoned or improperly closed mines are one of the most damaging factors to our industry's reputation. On the other hand, proper mine closure can significantly minimize risks and liabilities, reduce the need to manage the property in perpetuity, and successfully transition the land from a mine site to a stable land resource that will provide sustainable community benefits for generations to come.

Our commitment to provide for long-term environmental stability and beneficial post-mining land uses is stated in our Sustainability and Stakeholder Engagement Policy, and our approach to fulfilling this commitment is detailed in our Closure and Reclamation Management Standard.

Newmont's closure and reclamation strategy builds on industry leading practice and takes a technically and financially sound approach to anticipating, understanding and managing our closure obligations. We continue to adjust our strategy to improve the accuracy and transparency of our closure and reclamation efforts and align them with our mine and business planning processes.

Prior to construction, each Newmont operation must have a closure and reclamation plan that:

- Identifies the technical aspects of closure and associated costs;
- Considers and addresses regulatory, community and stakeholder commitments and expectations identified during stakeholder engagements and social impact assessments;
- Identifies and addresses the risks and impacts of mine closure on the stakeholders and community;
- Establishes design and success criteria that minimize environmental, social and financial risks;
- Includes a concurrent reclamation plan integrated into annual and long-term mine plans; and
- Integrates closure and reclamation requirements into the annual mine planning process.

Our closure governance model ensures a balanced, multidisciplinary approach to closure planning as well as senior executive involvement and oversight of closure plans and costs. The model consists of a steering committee composed of senior leaders and a multidisciplinary Closure and Reclamation Technical Team (CRTT) that is responsible for the development and monitoring of the plans and for preparing closure cost estimates annually throughout the mine's life.

To minimize the social and economic impact of mine closure, our standard requires sites to engage and involve stakeholders in planning, implementing and monitoring the closure and reclamation process. Currently, all of our operations engage local stakeholders whenever a significant event – such as a permit change, mine expansion or environmental impact assessment – warrants a review of the mine closure plan.

Concurrent reclamation – the act of rehabilitating land that is no longer required for operations while we are still mining – is effective in achieving successful and sustainable post-closure outcomes. It helps minimize acid rock drainage and other environmental impacts; allows time to test options; takes advantage of the equipment and personnel already on site; and reduces the time required post-closure to achieve a successful outcome. We plan and budget for concurrent reclamation before operations begin and evaluate opportunities during the annual business planning process.

2016 Performance

Our Akyem operation invited community members to observe our concurrent reclamation efforts taking place on site, which is located on 101 hectares of the Ajenua Forest Reserve. In 2016, we signed a memorandum of understanding (MoU) with the Ghana Forestry Commission to initiate the second phase of a reforestation program, which, when combined with the first reforestation program that began in 2014, covers around 300 hectares.

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