

2017 SUSTAINABILITY REPORT

# Beyond the Mine

## NORTH AMERICA REGION SUMMARY



“With great enthusiasm, I applaud our North America team on a job well done in 2017! Our many successes and learnings have helped us evolve ever further as an industry leader. And as we explore and advance promising new prospects – not only where we’re already mining, but also outside our established operational zones – we remain resolute in our commitment to excellence in safety, stewardship of the environment, and community partnerships. Newmont is poised for a bright future in North America, and I’m truly excited to be part of it.”

**Andrew Woodley**  
Regional Senior Vice President  
Newmont North America



#### UNITED STATES

Four operating complexes (Carlin, Long Canyon, Phoenix and Twin Creeks) in **Nevada** and the Cripple Creek & Victor operation in **Colorado**

#### OUR VALUES:

##### Safety

We take care of our safety, health and wellness by recognizing, assessing and managing risk, and choosing safer behaviors at work and home to reach our goal of zero harm.

##### Integrity

We behave ethically and respect each other and the customs, cultures and laws wherever we operate.

##### Sustainability

We serve as a catalyst for local economic development through transparent and respectful stakeholder engagement and as responsible stewards of the environment.

##### Responsibility

We deliver on our commitments, demonstrate leadership and have the courage to speak up and challenge the status quo.

##### Inclusion

We create an inclusive environment where employees have the opportunity to contribute, develop and work together to deliver our strategy.



Newmont Mining Corporation (Newmont) is a leading gold and copper producer. Founded in 1921, the Company has approximately 24,700 employees and contractors who work at operations and advanced development projects in five countries around the world.

Newmont's North America region has operations in Nevada and Colorado. We have been operating in Nevada since 1965 and acquired the Cripple Creek & Victor (CC&V) operation in Colorado in 2015. We own or control the mineral estate of approximately 2.6 million acres in Nevada and 41,000 acres in Colorado. Our North America operations accounted for nearly 40 percent of the Company's worldwide gold production in 2017.

Newmont's purpose is to create value and improve lives through sustainable and responsible mining. Throughout the mine lifecycle, we serve as a catalyst for local economic development through transparent and respectful stakeholder engagement and as responsible stewards of the environment.

Newmont has remained on the prestigious Dow Jones Sustainability World Index every year since 2007 and has been named the mining industry leader for the past three years.



### **TWIN CREEKS CELEBRATES 30TH ANNIVERSARY**

In September 2017, community leaders and other guests joined the team at our Twin Creeks mine in Humboldt County, Nevada, to celebrate the site's 30th anniversary as an operation and 20th anniversary as a Newmont property. Twin Creeks – one of Newmont North America's largest surface mines – has produced nearly 22 million ounces of gold since commencing production in 1987.





We aim to benefit the people and communities near our operations. To do so, we make and implement strong commitments to providing a healthy and safe work environment, building community relationships, listening and responding to concerns, establishing long-term partnerships and programs, and creating local jobs and business opportunities.

### Health and Safety

Our goal is a zero-harm workplace – one that is free from injury and illness and measured by no fatalities. No work-related fatalities occurred at any Newmont site or facility in 2017. However, we had a tragic event in April 2018, which resulted in the death of six contractors who were working on the construction of a structure at the Ahafo Mill Expansion project in Ghana.

We launched our Fatality Risk Management system in 2016 to add rigor and discipline around understanding our top risks and effectively managing them through robust controls and systems. In 2017, we continued our Fatality Risk Management journey, identifying the top 16 fatality risks that are common across our business along with the critical controls that must be in place every time we undertake a task involving that risk to prevent or minimize the consequence. Site managers perform frequent field-based observations, called verifications, to confirm the critical controls are in place and effective at the time the work occurs. Any deficiencies found during the verifications must be addressed before resuming work. Going forward, we will continue to build our confidence in managing fatality risks by implementing the next phase of our Fatality Risk Management system, which addresses the role of frontline leaders and their teams.

In 2017, we conducted an independent review of our injury and illness reporting procedure and data, benchmarking them against the International Council on Mining and Metals (ICMM), U.S. Mine Safety and Health Administration (MSHA) and U.S. Occupational Health and Safety Administration (OSHA) guidelines and classifications. Based on the findings, we updated our injury classifications and restated our safety performance metrics to align our region to the updated procedure. As a result of the classification changes, both our Total Recordable Injury Frequency Rate (TRIFR) and Lost Time Injury Frequency Rate (LTIFR) increased as we expanded the boundaries and definitions on what were considered reportable injuries.

Our TRIFR – which measures the rate of recordable injuries (medical treatment, restricted duty and lost-time injuries) – declined slightly compared to 2016. Hand injuries accounted for around 46 percent of all our recorded injuries in 2017, resulting in our undertaking an evaluation of our procedures for hand work. Our Twin Creeks operation piloted a business process improvement program to reduce injuries related to manual handling and tool use, and the employee-led Vital Behaviors team at our Carlin operation initiated a program to find ways to remove hands from the work either through re-engineered tools or restructured work processes.

Among our 2017 regional health and safety highlights:

- We completed installation of fatigue-detection technology in our entire surface mine haul truck fleet to help reduce the number of fatigue-related events for personnel undertaking high risk work. Assessments conducted to measure the effectiveness of the technology showed significant reductions in fatigue events. For example, at our Carlin operation in Nevada, fatigue events declined 87 percent between phase one (no alarms) and phase three (alarms and fatigue intervention plan). This level of reduction is consistent with what our other sites have experienced. Through change management efforts, sites aim to sustain this performance and ensure continuous improvement. Fatigue monitoring is one aspect of our broader fatigue management and wellbeing approach.
- Newmont strives to continuously improve the health and safety of our employees. We set a target to reduce employee exposures to airborne contaminants, such as dust and welding fumes, by 10 percent. Newmont exceeded this





target by reducing exposures in our North America region by 21 percent in 2016 and 25 percent in 2017, and globally by 16.5 percent in 2016 and 31.7 percent in 2017. Improved engineering controls – such as additional cab filtration on mining equipment to prevent dust from entering the operator’s cab and local exhaust ventilation to remove welding fumes before they can reach the welder’s breathing zone – made these reductions effective and sustainable.

- Our site-based mine emergency rescue teams (MERT) participated in numerous training programs, drills and competitions to ensure they have the tools and skills to face any scenario that may arise. Five MERT teams – representing our Carlin, Long Canyon, Phoenix, Twin Creeks and CC&V operations – were among the 14 teams that participated in the 2017 Safety Olympiad in Elko, Nevada. At least one of our teams placed among the top three in each of the competition’s four simulation drills.

## 2017 NEWMONT NORTH AMERICA SAFETY PERFORMANCE

	2013	2014	2015	2016	2017
Fatalities	1	0	1	0	0
Frequency rate (per 200,000 hours worked)					
Total Recordable Injury Frequency Rate (TRIFR)*#	1.76	1.01	1.03	1.00	0.92
Lost Time Injury Frequency Rate (LTIFR)#	1.17	1.04	0.58	0.44	0.52

\* TRIFR calculates the number of recordable injuries (medical treatment, restricted duty, and lost-time injuries) per 100 full-time employees and contractors.

# All data has been adjusted to reflect our reclassification in 2017 of injuries and illnesses to align with ICMM guidelines.

## Our Workplace

Newmont’s North America operations employ nearly 4,400 people in Nevada and Colorado, including miners, truck drivers and mechanics, engineers, environmental scientists, geologists and a wide range of business professionals.

Newmont is focused on creating a more inclusive work culture where we can leverage the strengths of our diverse workforce by executing against the following three key areas of our global inclusion and diversity strategy:

- **Workplace** – integrating principles, practices and content into the workplace to encourage inclusive behaviors;
- **Workforce** – increasing the representation of women, nationals, local and indigenous people, and other diverse people throughout our workforce; and
- **Community** – establishing community partnerships that support a diverse talent pipeline and our values of inclusion and diversity.

Newmont’s North America region has trained approximately 265 of our senior level employees on the fundamentals of inclusion and diversity and over 400 members of our workforce on unconscious biases. Another important action in our inclusion and diversity journey is the creation of business resource groups (BRG), which are voluntary, employee-led and senior leadership-sponsored groups focused on a common inclusion

and diversity effort. The groups help create a voice for employees and are dedicated to advancing a more inclusive and diverse work environment.

Current BRGs in the region include Military Veterans Programs and Support, Women and Allies at CC&V, and Employee Sustainability. During 2017, our BRGs provided a number of opportunities for employees to learn and develop and to engage with leaders, colleagues and the community. Examples include initiating a quarterly lunch-and-learn series focused on inclusive topics; introducing new work uniforms that incorporate input from female employees; educating communities on job opportunities at local women’s events; participating in the town of Cripple Creek’s annual Salute to American Veterans Rally; and creating over \$20,000 in scholarships for military veterans through our Ride for the Troops event in Nevada. As we move forward, our focus on inclusion and diversity will continue as our BRGs grow and we introduce inclusive leadership training for supervisors.

**4,382 EMPLOYEES**  
(of whom 614 were women)

**1,949 CONTRACTORS**



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.

### Community Relationships

Regular dialogue and collaboration with community stakeholders helps build healthy, productive relationships. Our CC&V operation in Colorado completed its first social impact assessment (SIA) under Newmont's standards, and held public meetings to discuss impacts and mitigation strategies, such as for noise and vibration. The Phoenix mine near Battle Mountain, Nevada, completed its SIA focused on Lander County, where our people are working with the Battle Mountain Band of the Western Shoshone on the management of cultural artifacts identified in mining areas. We also held quarterly dialogue meetings with Native American communities near our operations in Nevada. In partnership with the Western Shoshone people, we formed a Cultural Artifact Repatriation Taskforce to develop an approach for transferring artifacts found on Newmont-owned property to the Western Shoshone.

### Community Investment Program

Across the Company, we believe in investing in the future of the communities near our operations. In addition to providing financial assistance, we partner with nonprofit organizations, local governments and development agencies on social and economic development programs and environmental conservation efforts. Focus areas in North America include youth, education, recreation, art, culture and history, environment, health and welfare, underserved populations and civic enhancement. In 2017, the Community Investment Program distributed around \$1.75 million in donations to communities located near our North America operations.







## Newmont Legacy Fund

The Newmont Legacy Fund – a charitable organization formed by our Nevada employees to contribute to the health and wellbeing of communities across northern Nevada – pledged a record \$2.9 million to northern Nevada nonprofits in 2018. Of this amount, employees pledged \$1.45 million, which will be matched dollar for dollar by Newmont. In addition, the Newmont Endowment Fund, which will help sustain local communities in the long term, reached \$2.2 million. In 2017, more than 200 organizations – each selected by one or more employees as a recipient of choice – benefited from the Newmont Legacy Fund.

During the year, we expanded the Newmont Legacy Fund to include contributions from employees at CC&V. The site surpassed their goal of 30 percent employee participation, which resulted in \$70,000 in employee pledges. Combined with Newmont's dollar-for-dollar match, \$140,000 in total pledged donations will go to local Colorado nonprofit organizations in 2018.



## 2017 Regional Economic Impact

**\$358 MILLION spent with LOCAL BUSINESSES**

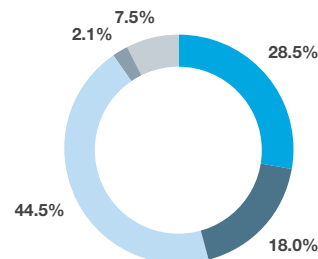
**\$3.85 MILLION INVESTED in LOCAL COMMUNITIES**

**\$110.45 MILLION paid in TAXES**

### 2017 Taxes

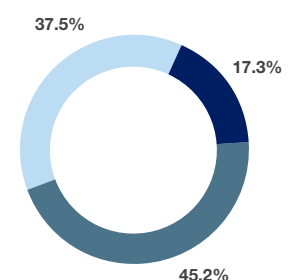
(\$ millions)

#### NEVADA



Net proceeds of mineral tax	\$27.00M
Property tax	\$17.39M
Sales and use tax	\$42.96M
Fuel tax	\$1.99M
Modified business tax	\$7.24M
<b>TOTAL</b>	<b>\$96.57M</b>

#### COLORADO



Severance tax	\$2.40M
Property tax	\$6.28M
Sales and use tax	\$5.20M
<b>TOTAL</b>	<b>\$13.88M</b>

**TOTAL NORTH AMERICA \$110.45M**

Note: Figures in this table may differ from data reported in the global Beyond the Mine report due to the inclusion of Nevada payroll taxes and the exclusion of corporate taxes.



We take seriously our responsibility to minimize, manage and mitigate our impact on water, land, air quality, climate and biological diversity, and to work with stakeholders on sustainable natural resource management. All our mines operate under ISO 14001 certified environmental management systems, and all facilities that use cyanide are certified as fully compliant with the International Cyanide Management Code. Many of our employees are involved in regional environmental and resource conservation programs.

### Water Stewardship

In 2017, our Carlin operation in Nevada reduced its fresh water use by 1.9 percent with the construction of the Pete Bajo pipeline, a new water supply line that connects the Leeville underground mine's water treatment plant to the Pete Bajo underground mine. The pipeline, which went online in August, reduces the Pete Bajo mine's fresh water use by 125 million gallons a year by changing the source of water. The project supports both our global and regional water strategy objectives. These efforts help keep us well below our permitted water use limits.

Other efforts in 2017 to improve our water management performance:

- Our Phoenix operation reduced fresh water use by 15 percent at the mill by utilizing output from the reverse osmosis (RO) plant and increasing its use of reclaimed water from its tailings storage facility.
- The Twin Creeks site reduced fresh water use by 4.9 percent by decreasing flow to its leach pad and increasing its use of recycled water from contact water ponds. The site also continued to engage the Nevada Division of Water Resources and community stakeholders on the Kelly Creek Basin plan, which monitors water pumped, consumed for operations and discharged downstream. In addition, the plan details drawdowns and potential impacts of mine dewatering activities. The purpose of this routine engagement is to keep our stakeholders informed of all water-related activities and monitoring at the site.
- CC&V completed a wetland delineation analysis to evaluate potential impacts of future mine development options and developed a fresh water reduction target of 10 megaliters from the Cripple Creek reservoir system for 2018.







## WATER USE (thousand kL)

Site	Total water withdrawn	Total water discharged	Total water consumed	Total water recycled
<b>Nevada</b>				
Carlin	51,622	39,321	12,301	63,186
Long Canyon	569	0	569	4,636
Phoenix	4,963	43	4,920	13,921
Twin Creeks	17,703	10,204	7,499	22,491
<b>Colorado</b>				
Cripple Creek & Victor	3,708	140	3,568	65,345

## Conservation of Biological Diversity

At our Long Canyon mine, we established a Technical Working Group (TWG) – that includes representatives from Newmont, the U.S. Fish and Wildlife Service (FWS) and Newmont subsidiary Elko Land and Livestock Company as signatories, and the Nevada Department of Wildlife, U.S. Bureau of Land Management and U.S. Geological Survey as contributors – to conserve the relict dace, a small, minnow-like fish that inhabits the Johnson Springs Wetland Complex. This diverse wetlands area, which is adjacent to our Long Canyon mine, provides habitat not only to the dace but also to other resident and migratory species. In 2017, the TWG initiated a range-wide relict dace genetic analysis project to better understand the relationships and relatedness among relict dace populations across their native range.





### Elko Land and Livestock Company

Elko Land and Livestock Company owns and operates the TS, Horseshoe, Big Springs, IL and Palisade ranches, which include more than 1.5 million acres of rangelands in northeastern Nevada. Our land and water resources and expertise in science-based management ensure access to, and facilitate development of, mineral resources on owned and controlled lands while conserving biological diversity and maintaining and enhancing an ecologically, economically and socially sustainable rangeland livestock enterprise.

The ranches comprise the lands involved in our precedent-setting sagebrush ecosystem strategy and associated Sagebrush Ecosystem Conservation Program in Nevada. Key activities during 2017:

- Undertook two credit/debit calculations using the State of Nevada's Conservation Credits System (CCS):
  - A debit calculation for our Greater Phoenix project, which assessed a debit requirement of 211 credits
  - A credit development project on private land on the IL Ranch that is expected to generate 3,727 credits in early 2018 even though the project suffered a setback in July when wildfires affected portions of the ranch and required us to withdraw approximately half of the initial 15,000 acres slated for entrance into the CCS
- Developed the following two pilot project plans associated with the program's Conservation Framework Agreement (CFA) and reviewed plans with CFA partners – the U.S. Bureau of Land Management and Fish and Wildlife Service,

and the Nevada Department of Conservation & Natural Resources and Department of Wildlife:

- A project in the Willow Creek area to enhance approximately 2,900 acres of upland and riparian habitat in greater sage-grouse habitat that is ready for implementation in 2018
- The Early Assisted Succession project that investigates new strategies for rangeland restoration on a nearly 500-acre test plot of annual grasses
- Continued partnerships with experts from the University of Nevada–Reno and the U.S. Department of Agriculture's Agricultural Research Service to study new and improved methods for annual invasive-grass control and rangeland restoration.
- Continued rangeland habitat restoration work in the Boulder Valley area of the TS Ranch with reseeding 2,330 acres of wildfire and invasive annual grass affected lands. In addition to the reseeding, we used pre-emergent herbicides on 2,772 acres of cheatgrass monocultures to effectively facilitate seeding of perennial grasses in 2018.
- Partnered with the Bureau of Land Management (BLM) and Nevada Department of Wildlife (NDOW) in wildfire rehabilitation efforts on 2,219 acres on the IL Ranch and TS Ranch.
- Helped plan restoration efforts with the BLM and NDOW on nearly 85,000 acres of our grazing allotments associated with the TS Ranch and IL Ranch.





## Energy and Climate Change

Through our global energy and climate strategy, we work to efficiently manage our global energy consumption, reduce our carbon footprint and manage our climate-related risks. Using findings from a pilot workshop held in 2016 in Nevada as well as an ICMM-led workshop in 2017, we continued work to develop regional climate adaptation planning methodology and guidance that are designed to help sites understand how physical risks relating to climate change may impact operations, key infrastructure and communities, and develop action plans to mitigate material risks and implement key opportunities.



## Environmental Awards

Our team in Nevada received two prestigious “Nevada Excellence in Mine Reclamation” awards. Our Chevas High Desert exploration/reclamation project was recognized for its concurrent exploration reclamation work, and the Sagebrush Ecosystem Conservation Program’s Conservation Framework Agreement received the award for leadership in conservation planning. The awards committee included representatives from the Nevada Division of Minerals, U.S. Bureau of Land Management, Nevada Department of Wildlife, U.S. Forest Service, and Nevada Division of Environmental Protection which conduct field assessments before selecting recipients. In addition, for the second straight year, CC&V received the “Best of Best” environmental stewardship award from the Colorado Mining Association for its leadership in recycling and repurposing materials.

**Each year, Newmont commits to achieving internal concurrent reclamation targets across all of our sites. In 2017, the region reclaimed a total of 190 acres.**

## DISCOVER MORE

Get the latest news and information, and learn about our public mine tours on **Newmont.com**

Read our blog – a frontline view about our people and experiences at **ourvoice.newmont.com**

Learn more about the six stages in the life of a modern gold mine on our interactive Lifecycle of a Mine microsite – **lifecycle.newmont.com**

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### Newmont North America

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