

	<b>Newmont Corporation</b> <b>Land Acquisition &amp; Involuntary Resettlement Standard</b>	Document No: Function: Effective Date: Page No:	NEM-SER-STA-018 S&ER 01/14/2020 Page 1 of 5
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## Land Acquisition & Involuntary Resettlement Standard

### **Purpose & Objectives**

This Global Standard sets the minimum requirements for land acquisition and involuntary resettlement, before any site-related development or construction activity commences, to minimize risk to project development, startup, and operations. The rights and needs of land owners and local communities related to land acquisition must be assessed and addressed prior to impact through interactions that foster trust and mutual respect.

### **Scope**

The scope of this Standard is global. It applies to all directors, officers and employees of Newmont Corporation (“NC”) or any entity that is controlled or managed by NC (together with NC, “Newmont” or the “Company”). In addition, where explicitly stated in an applicable contract, it may apply to Newmont’s contingent workers, vendors, contractors, and other types of business partners. It is applicable to all sites and in all phases of the mine life cycle including exploration, design, construction, operation and closure.

In cases where land access is temporarily required for exploration, see the Exploration Guidebook for guidance.

The Standard does not apply to resettlement resulting from voluntary land transactions (i.e., market transactions in which the seller is not obliged to sell and the buyer cannot resort to expropriation or other compulsory procedures sanctioned by the legal system of the host country if negotiations fail).

### **Content**

#### **1. Planning & Design**

##### 1.1. General

- 1.1.1. Land acquisition and involuntary resettlement activities shall be carried out in compliance with applicable laws, regulations and other obligations or requirements relative to resettlement, compensation and/or livelihood restoration activities.
- 1.1.2. Current and future land requirements, and feasible alternative designs and facility locations shall be considered to avoid or minimize physical and/or economic displacement, while balancing environmental, social, and financial costs and benefits, paying particular attention to impacts on vulnerable households.
- 1.1.3. Resettlement and livelihood restoration activities shall ensure that impacted households maintain or improve income-earning capacity, production levels, and standards of living.
- 1.1.4. Stakeholder engagement processes shall be established in collaboration with affected communities and households to discuss decision-making processes, options and alternatives related to resettlement/livelihood restoration.
- 1.1.5. Where feasible, benchmarking exercises shall be conducted to ensure compensation strategies and rates for non-inhabitable structures, productive uses (i.e., crops) and land valuation are commensurate with local norms, customs and other development projects.

- 1.1.6. Compensation for loss of assets and/or use of assets shall be offered at full replacement cost to affected communities and persons with resettlement assistance provided as necessary to help restore standards of living or livelihoods.
- 1.1.7. Compensation standards shall be transparent and applied consistently to communities and persons affected by the displacement. When livelihoods of displaced persons are land-based or where land is collectively owned, Newmont, when feasible and desired by affected persons, will offer land-based compensation alternatives.
- 1.1.8. Landowners and/or users with physical or economic interests in the land (including livelihood, legal and/or traditional) shall be identified prior to acquiring land or executing involuntary resettlement including an assessment of vulnerable groups.
- 1.1.9. Socio-economic baseline data shall be gathered in sufficient detail and quality to document stakeholders who will be displaced by the site, determine who will be eligible for compensation and/or assistance, and discourage ineligible persons, such as opportunistic settlers, from claiming benefits. To the extent possible, baseline data planning should consider data which can be used to establish resettlement and livelihood restoration criteria used to determine completion success.
- 1.1.10. A moratorium or “cut-off date” shall be established and communicated which can be well documented and disseminated throughout the site area at the appropriate time to avoid and minimize encroachment.
- 1.1.11. A resettlement and/or livelihood restoration entitlement framework shall be established and agreed upon with the affected community/persons or their representatives.
- 1.1.12. Qualified external experts shall be engaged to review Resettlement and Livelihood Action Plans or equivalent to inform plan adequacy prior to finalization.

## 1.2. Physical Resettlement

- 1.2.1. A Resettlement Action Plan (RAP) or equivalent shall be developed to mitigate the negative impacts of physical displacement; identify development opportunities; develop a resettlement budget and schedule; and establish the entitlements of the categories of affected households. Particular attention will be focused upon the needs of marginalized and/or vulnerable groups.
- 1.2.2. Physically displaced households shall be offered choices among feasible resettlement options, including replacement housing or cash compensation where suitable alternative physical residence can be verified prior to relocation. Replacement housing shall be in line with local customs and meet relevant building regulations.
- 1.2.3. Relocation assistance suited to the needs of each household shall be offered, with particular attention paid to the needs of marginalized and/or vulnerable groups to facilitate the restoration or improvement of living standards at the alternative site.
- 1.2.4. Replacement property (e.g. non-habitable structures or assets) shall be of equal or higher value.
- 1.2.5. Security of tenure at the new location shall be provided, to the extent feasible, through legally defensible title in accordance with relevant laws and custom of the jurisdiction.

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- 1.2.6. Structures that are owned and occupied at the time of eligibility cut-off shall be compensated for at full replacement cost. When feasible, compensation will be offered in-kind in lieu of cash.

### 1.3. Compensation

- 1.3.1. Compensation negotiation processes and rates shall be, at a minimum, consistent with local laws and regulations and respectful of customary title and use of the land and related assets to ensure full and informed participation of affected persons.
- 1.3.2. A comprehensive baseline and impact assessment shall be completed for affected persons and households (see Social Baseline and Impact Assessment Standard) to document assets for which compensation will be provided as indicated by the “cut-off date.”
- 1.3.3. A fair market value basis shall be established for compensation levels for land uses and improvements (crops, non-occupied structures, culturally significant sites) as set by government processes or negotiated directly with the owner/community.
- 1.3.4. Loss of assets or access to assets shall be promptly compensated for at full replacement cost.
- 1.3.5. In cases where land acquisition affects commercial structures, the affected business owner shall be compensated for the cost of reestablishing commercial activities elsewhere, for lost net income during the period of transition, and for the costs of the transfer and reinstallation of the plant, machinery or other equipment.
- 1.3.6. Transitional support shall be provided, as necessary, based on a reasonable estimate of the time required to restore their income earning capacity, production levels and standards of living.

### 1.4. Economic Displacement

- 1.4.1. A Livelihood Action Plan (LAP) or equivalent shall be developed to mitigate adverse economic impacts on displaced persons and/or communities. The LAP or equivalent shall establish the entitlements of affected persons and/or communities and ensure these are provided in a transparent, consistent, and equitable manner.
- 1.4.2. Affected communities/households who may not be physically affected but who are economically displaced (defined as loss of assets and/or means of livelihood) shall be considered in the Livelihood Action Plan or equivalent.
- 1.4.3. Economically displaced persons whose livelihoods or income levels are adversely affected shall be provided opportunities to improve, or at least restore, their means of income-earning capacity, production levels, and standards of living.

## 2. Implementation & Management

- 2.1. Sites shall provide adequate resources to implement Resettlement and Livelihood Action or equivalent plans.
- 2.2. Needs and associated budget allocations shall be evaluated to fulfill longer term “maintenance” requirements of resettlement and livelihood restoration activities (i.e., vulnerable program) into operations, as required.
- 2.3. Land acquisition and involuntary resettlement complaints and grievances shall be prioritized and addressed in accordance with the site grievance mechanism.

### 3. Performance Monitoring

- 3.1. Monitoring and evaluation of Resettlement and Livelihood Action Plans (RAP/LAP) or equivalent shall be established on a monthly basis during the first 12 months and then as necessary, until completion, to ensure progress against stated objectives, requirements and desired outcomes. The extent of monitoring activities will be commensurate with the site's risks and impacts. Senior management shall review and ensure corrective actions are taken to address deficiencies with LAPs/RAPs or equivalent on a quarterly basis.
- 3.2. Resettlement and Livelihood Action Plans or equivalent will be audited annually, at a minimum, by a qualified external expert to ensure that activities are undertaken in accordance with Newmont standards and are meeting the needs of affected persons. External monitoring frequency may be increased depending upon the complexity of the resettlement action and reports will be provided to the Corporate Sustainability and External Relations (S&ER) Systems & Services group.
- 3.3. Sites shall commission a completion audit by a qualified external expert for the RAP and/or LAP (or equivalent) once actions have been substantially completed and displaced persons are deemed to have been provided adequate opportunity and assistance to restore and/or improve their livelihoods. The completion audit will include, at a minimum, a review of the totality of mitigation measures implemented by the site against agreed objectives, and a conclusion as to whether the monitoring process can be concluded. Any remaining issues shall be transferred to the site corrective action register.

### Terms

Refer to the S&ER Policies & Standards glossary for definitions.

- Access
- Affected community
- Compensation
- Economic displacement
- Impact
- Impact assessment
- In-kind
- Involuntary Resettlement
- Land acquisition
- Land-based compensation alternative
- Livelihood
- Livelihood restoration
- Livelihood Restoration Action Plan (LAP)
- Local Community
- Market Value
- Physical Displacement
- Replacement cost
- Replacement property
- Resettlement Action Plan (RAP)
- Resettlement Assistance/Transitional Support
- Stakeholder
- Standard of Living
- Vulnerable peoples

### References

- IFC Performance Standard 5 – Land Acquisition & Involuntary Resettlement (2012 Edition)
- Guidance Note – IFC PS5 – Land Acquisition & Involuntary Resettlement (2012 Edition)
- IFC Handbook for Preparing a Resettlement Action Plan (March 2002)
- Akyem Resettlement Action Plan
- Exploration SER Guidebook (2017)



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**Document Control**

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