Safety and Sustainability Guideline

# Pro forma Greenhouse Gas Emissions Calculation Methodology

OCTOBER 2024

**Contents**

# Overview

This document provides the Greenhouse Gas (GHG) quantification methodology and basis of preparation for Newmont's Pro forma 2023 Scope 1, 2, and 3 GHG emissions inventory. Our Pro forma inventory includes the sites that formed the Company as of December 31, 2023, after the acquisition of Newcrest Mining Limited on November 6, 2023. This document defines a methodology consistent with the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) *GHG Protocol: A Corporate Accounting and Reporting Standard* with reference to the additional guidance provided in the *GHG Protocol: Scope 2 Guidance (amendment to GHG Protocol)*, *GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Scope 3 Standard)* and *GHG Protocol Technical Guidance for Calculating Scope 3 Emissions (Scope 3 Guidance)* as appropriate.

All information sources and assumptions used to determine energy consumption figures and emissions factors are documented. The calculated inventories and data are reported annually in Newmont's publicly available sustainability disclosures. Newmont will continuously improve the calculation methodologies each year to improve data quality over time. We will work to enhance accuracy of data collection and quality and will assess the impact of any improvements to determine and prioritize when the data quality improvements should be applied. These methods and resulting GHG emissions inventory will enable tracking towards Newmont's decarbonization targets and guide implementation of the GHG mitigation hierarchy to firstly avoid emissions generation, then minimize and reduce, and finally to offset residual emissions that are hard-to-abate.

The GHG Protocol provides standards and guidance for companies to voluntarily calculate and report on their GHG emissions. Accounting and reporting coverage includes the following six greenhouse gases identified in the Kyoto Protocol:

- carbon dioxide ($CO_2$)
- methane ($CH_4$)
- nitrous oxide ($N_2O$)
- hydrofluorocarbons (HFCs)
- perfluorocarbons (PFCs)
- sulphur hexafluoride ($SF_6$)

The GHG Protocol also includes reporting on Nitrogen trifluoride ($NF_3$) in GHG inventories, however Newmont does not use processes that generate this gas and so it is not considered relevant.

A specific Global Warming Potential (GWP) is applied to GHGs other than $CO_2$ to account for their higher warming effect, and the result is known as carbon dioxide equivalent ($CO_2e$). A GWP is a measure of how much energy the emissions of 1 tonne of a gas will absorb over a given period, relative to the emissions of 1 tonne of $CO_2$[1]. Newmont uses GWPs for different GHGs as defined by the *Intergovernmental Panel on Climate Change (IPCC) 6th Assessment Report (AR6)* (Chapter 7, p 1017).

Newmont conducts a recalculation of baseline year data if a divestiture/acquisition and/or calculation methodology change results in a cumulative +/- >5% adjustment to the emissions inventory per scope. While this threshold assessment is per scope, it is not per category within Scope 3 but rather Scope 3 as a total of all relevant categories. Organic growth (or decline) or permanent closure of an operation does not trigger recalculation of baseline year data. This includes

[1] US EPA definition, https://www.epa.gov/ghgemissions/understanding-global-warming-potentials

joint ventures and any greenfield projects that have not operated since the baseline year and then come into operation.

Ongoing improvements to data collection systems and measurement methodologies can result in restatements of previously reported data. Restatements of information are provided when a change in measurement methodology or error in previously reported information results in the potential to influence a user's decision-making. Such restatements are included as footnotes where applicable. When it is impracticable to adjust comparative information for one or more prior periods, this is explained.

## ORGANIZATIONAL BOUNDARY

Newmont calculates GHG emissions for facilities under its operational control and includes the emissions from contractors working at these facilities. GHG emissions also include those from facilities owned but not controlled by Newmont within Scope 3 Category 15, where an equity share approach is applied.

Newmont's offices, exploration sites and legacy sites are excluded from the Scope 1 and 2 GHG emissions inventory on the basis of materiality. Scope 3 GHG emissions categories are individually assessed for relevance, with those categories deemed relevant accounted for within the Scope 3 GHG emissions inventory.

## RECALCULATION OF BASELINE AND TRAILING YEAR DATA

The acquisition of Newcrest Mining Limited on November 7, 2023, triggered Newmont to recalculate the target baseline years and trailing years GHG emissions data. Newmont followed the GHG Protocol Corporate Standard recommendations on recalculation of the baseline and trailing years. The Newcrest sites' emissions were recalculated using the Newmont methodology described in this document, including using Newmont emission factors. Only where available data from former Newcrest assets was unavailable, 2023 activity data was scaled according to the relevant production data such as ounces of gold produced. Trailing-year emissions for the former Newcrest assets were then calculated using the scaled activity data and appropriate Newmont emission factors.

## CARBON AVOIDANCE AND NEUTRALIZATION

Carbon avoidance is the first step in the GHG mitigation hierarchy to prevent the generation of emissions before they occur. Whereas, neutralization includes measures to remove carbon from the atmosphere and permanently store it to counterbalance the impact of emissions that remain unabated. Newmont currently calculates the $CO_2e$ emissions avoided through applying relevant emission factors to waste streams that are recycled or reused rather than being disposed. These are reported separately to the global GHG emissions inventory and do not contribute to achieving decarbonization targets but demonstrate alignment with the mitigation hierarchy and the climate benefit of a circular economy.

Reporting GHG removals are separately accounted for and based on their sink process (i.e., biogenic, or technological sinks) and storage pool (i.e., land-based storage, product storage, or geologic storage). Scope 1 and 3 removals (if applicable) are reported separately and based on annual net carbon stock changes occurring in the reporting year using stock-change accounting methods. Currently, Newmont does not have GHG removals to calculate and report on.

The contribution of carbon offsets or neutralization projects to the global GHG emissions inventory is calculated based on verifiable monitoring and measurement methods as outlined in the Newmont *Carbon Offsets Strategic Approach*. The values are reported separately to show the proportion of these projects to other decarbonization initiatives. Currently, Newmont does not account for any carbon offsets or neutralization projects in the global GHG emissions reporting.

## SCOPES

GHG emission sources are divided into three areas or scopes that are emissions either directly attributable to a business or indirectly attributable (Figure 1).

**Scope 1:** Includes direct GHG emissions from the combustion of fuels (including for onsite electricity generation), use of explosives, process emissions from the use of carbon-containing reagents such as limestone and fugitive emissions from refrigerants and materials management. For fuel combustion emissions, this is sub-divided into stationary and mobile equipment.

**Scope 2:** Indirect GHG emissions from electricity and other energy (e.g., steam, heat) provided by third parties, including electricity retailers and/or generators.

**Scope 3:** Indirect GHG emissions generated because of activities undertaken either upstream or downstream of our operations, other than those accounted for as Scope 2 GHG emissions. Scope 3 GHG emissions are assessed for relevance across fifteen value chain categories, including, but not limited to, purchased goods and services, business travel, employee commuting, processing of sold products, and joint venture investments.

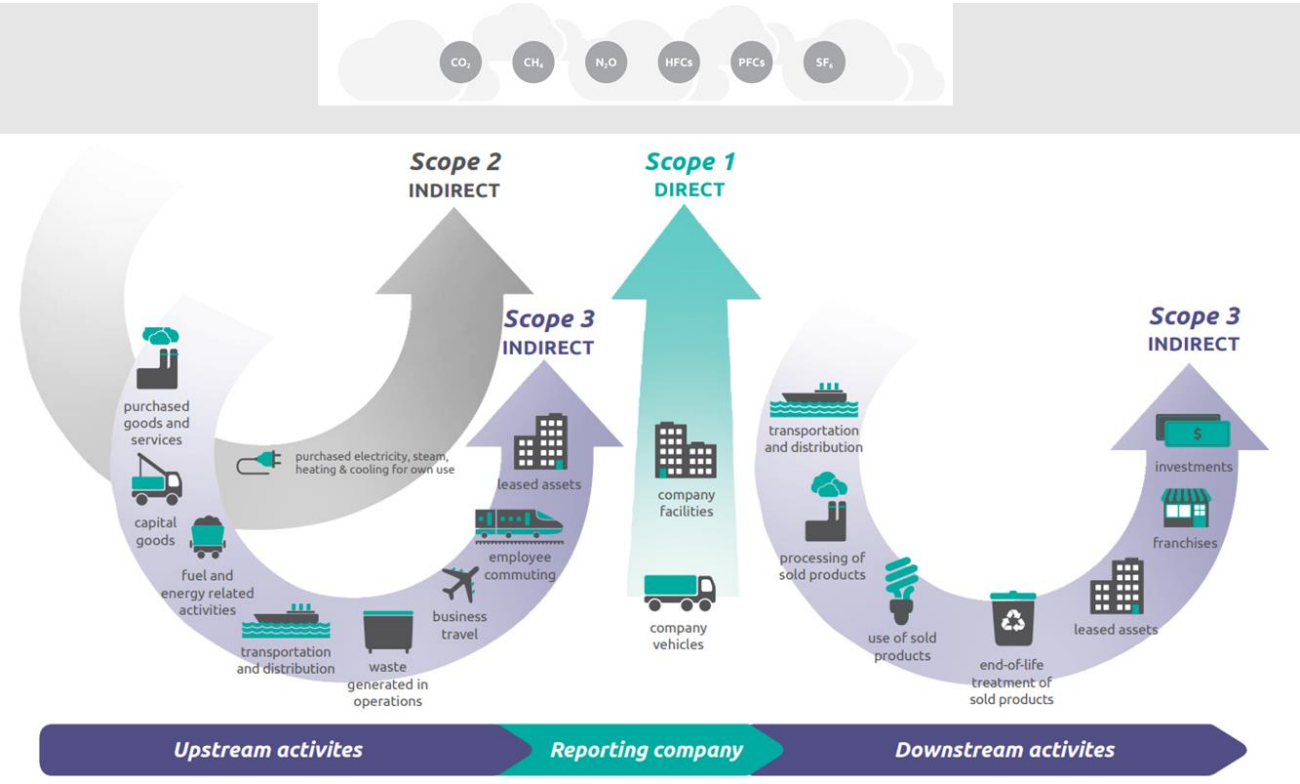


*Figure 1: the six gases and three scopes considered in Newmont's GHG emissions inventory (source: GHG Protocol)*

## EMISSION FACTORS

An emission factor allows GHG emissions to be estimated from a unit of available activity data (e.g., tonnes of fuel consumed, tonnes of product produced) and absolute GHG emissions. To convert energy/fuel/activity quantities to $CO_2e$, the collected data must be multiplied by defined and consistent emission factors. The specific sources of the emission factors for each Scope of GHG emissions are described in the relevant section of this document, however in general:

- **Scope 1** emission factors are sourced from a variety of reputable public sources. In most instances, these sources include emission factors for $CO_2$, $CH_4$ and $N_2O$ which can then be multiplied by the associated GWP and added together to determine the total $CO_2e$.
- **Scope 2** emission factors are sourced from suppliers for their specific electricity product purchased by the site, or from published regional average factors for the electricity mix. Depending on the data source, these factors may already be represented as $CO_2e$ or broken down by contributing gas.
- **Scope 3** emission factors are typically generic factors sourced from purchased databases, reputable public sources, and customer- and supplier-specific sources and are usually represented as $CO_2e$. Newmont's intention is to move towards supplier- and customer-specific emission factors for Scope 3.

Newmont maintains an up-to-date database of country-specific emission and energy content conversion factors to be used in all GHG accounting calculations.

# Scope 1

## Emission Sources

Consists of direct GHG emissions from sources that are under the operational control of Newmont, including:

- Direct fuel combustion such as diesel, biodiesel, used oil, gasoline, natural gas, propane, heavy fuel oil, acetylene and aviation fuel, including the combustion of such fuels for the on-site generation of electricity;
- Fugitive emissions from SF6 and refrigerants use;
- Explosives use; and,
- Process emissions from lime production and autoclave operations.

## Measurement and Calculation Methods

Activity data for each emission source are collected using a combination of direct measurement, calculation, estimation, and third-party invoice information.

*Direct fuel combustion*

The collected activity data is converted from the fuel quantity consumed to an energy equivalent in gigajoule (GJ) units by multiplying it by the relevant energy content conversion factor for the fuel combusted. The equivalent GJ of energy for each combusted fuel type is then multiplied by a relevant emission factor or factors (including associated GWPs) to determine the GHG emissions generated for each fuel type.

The calculation method is represented by the following equation:

Combustion Emissions = Activity Data (Volume/Amount of fuel combusted) x Energy Content of the fuel (GJ) x Emission Factor/s for the fuel ($CO_2e$/GJ)

*Explosives*

Scope 1 emissions from explosives are calculated by taking the fuel amount used (diesel, used oil, heavy fuel oil) and multiplying by the appropriate fuel emission factor for stationery energy. Fuel oil, typically diesel, is mixed with ammonium nitrate and is the source of GHG emissions from explosives.

*Fugitive and process emissions*

The collected activity data is multiplied by the GWP for the emissions based on the estimated gas composition of the emission.

Resultant emissions are added to determine total tonnes of $CO_2e$.

## Emission Factors

Established country-specific mobile and stationary combustion emission factors available as at the end of the reporting period are utilized in preference for the calculation of emissions from fuel consumption. Where country-specific factors are unavailable, the most recently available factors (as at the end of the reporting period) from the *GHG Protocol Emission Factor from Cross-Sector Tools (April 2017)* are used.

For Canada, the *Climate Registry 2022 General Reporting Protocol* emission factors are used for all fuel types, except for lubricants and greases where emission factors from the *US EPA Final Mandatory Reporting of Greenhouse Gases Rule* are used.

For Australia, emission factors from the most current compilation of the *National Greenhouse and Energy Reporting (Measurement) Determination 2008* are used for all fuel types.

For the United States, emission factors from the *GHG Emission Factors Hub* are used for all stationary combustion of fuel type, except for the combustion of diesel where the factors from the *GHG Protocol Emission Factor from Cross-Sector Tools (April 2017)* are used. For mobile combustion fuel types, the *GHG Emission Factors Hub* factor for aviation fuel is used, whereas in all other instances, the *GHG Protocol Emission Factor from Cross-Sector Tools (April 2017)* is used.

## Notes and Assumptions

Fuel used by contractors, which is measured by sites via either direct measurement, contractor/third party records or management estimate, and the emissions associated with its combustion, are included in Scope 1 GHG emissions from fuel combustion.

Emissions associated with the generation of heating, cooling, and steam consumed are included in Scope 1 calculations if it is self-generated, however no sites currently report consumption. Fugitive methane emissions from pipelines are not calculated due to immateriality.

Newmont's only biogenically sourced fuel is biodiesel. Direct $CO_2$ emissions from the combustion of biogenically sourced fuels are not included in Scope 1 calculations but are reported separately in accordance with the GHG Protocol. Direct $CH_4$ and $N_2O$ emissions from the combustion of biogenically sourced fuels are included in Scope 1.

# Scope 2

## ENERGY ATTRIBUTE CERTIFICATES (EACS)

When power is delivered to a grid, there is no way to physically track where the electrons were generated. To overcome this, EACs, such as Renewable Energy Certificates (RECs), allow allocation of energy attribute information to facilitate product-specific consumer claims.

EACs are a category of contractual instruments that represent certain information about the energy generated, but not the energy itself. This prevents double-counting of emissions claims for green energy. Generally, certificates are produced for one unit of electricity generation (1 MWh).

Renewable power for which the EACs have been sold to third parties is stripped of its emissions intensity factor and referred to as 'null power' which then must take on the residual grid average emissions factor once all RECs have been removed from the grid average (residual mix).

RECs are distinct from carbon offsets as outlined in Table 1.

*Table 1: Comparison of RECs and Carbon Offsets*

| Renewable Energy Certificates | Carbon Offsets |
|---|---|
| Unit: Each certificate represents 1 MWh of renewable electricity generation | Unit: Each carbon credit represents 1 metric tonne of $CO_2e$ |
| Source: renewable electricity generators | Source: Projects that avoid or reduce GHG to the atmosphere |
| Can be used to calculate Scope 2 emissions, and therefore reduce gross GHG emissions reported | Must be reported separately from Scope 1, 2, and 3 GHG emissions |
| Does not require additionality requirement to report use of zero-emissions power | Does not reduce gross GHG emissions |

## LOCATION-BASED AND MARKET-BASED METHODS

Location-based emission factors are based on average energy generation emission factors for defined regions, and do not consider consumer choice of differentiated electricity products. Market-based emission factors do consider consumer choice of electricity products and are useful to reflect corporate procurement actions. Newmont reports GHG inventories based on both methods to enable comparison.

The GHG Protocol provides guidance on how to determine market-based emissions factors as illustrated in Figure 2. Companies are to start at the top of the hierarchy and move down to lower-accuracy data if needed depending on what is available/applicable. The GHG Protocol advises that consumers should not attempt to calculate a supplier specific emission rate themselves based on a fuel mix disclosure due to the variations in fuel mix disclosure rules, which may reduce the accuracy of the resulting GHG emission factor. As such, Newmont uses only those supplier-specific emission factors that are publicly provided by the generator.

Contractual instruments are used to support Newmont's market-based emission factors. The GHG Protocol 'Scope 2 Quality Criteria' is also used to determine what information is needed within the contract instruments to support claims, such as the GHG emission rate and exclusivity.

## METHODOLOGY

### Emission Sources

Consists of indirect GHG emissions generated by third parties to provide Newmont facilities with:

- Electricity;
- Heat;
- Steam; and
- Cooling.

No Newmont facilities currently purchase heat, steam or cooling from third parties.

### Measurement and Calculation Methods

Activity data are collected from suppliers, or consumption is estimated, and then multiplied by the associated $CO_2e$ emission factor to determine total tonnes emitted.

This calculation method is represented by the following equation:

Scope 2 Emissions = MWh x t $CO_2e$ per MWh

### Emission Factors

The primary reporting method for Scope 2 emissions for Newmont is a market-based method, however both market-based and location-based results are reported to enable comparison. For the market-based calculations, electricity generation emission factors or intensities are utilized in accordance with the GHG Protocol's market-based scope 2 data hierarchy, as detailed in Figure 2.


*Figure 2: Market-based Scope 2 data hierarchy*

For location-based calculations, regional or subnational emission factors are applied in preference to national production emission factors in accordance with the GHG Protocol's Location-based method emission factor hierarchy. The sources of the emission factors applied for each in-scope facility are outlined in Table 2. It is noteworthy that IEA corrections are not included in these factors since Transmission and Distribution losses are accounted for in Scope 3 category 3.

*Table 2: Scope 2 Emission Factor sources*

| Site | Grid Territory | Location-based Source | Market-based Source |
|---|---|---|---|
| Akyem and Ahafo | Ghana | IEA Emissions Factors | IEA Emissions Factors |
| Boddington | South-Western Australia | National Greenhouse and Energy Reporting (Measurement) Determination 2008, 2023 Factors | Supplier specific, Bluewaters Power Station and Australian NGA Factors |

| | | | |
|---|---|---|---|
| Cadia | New South Wales | National Greenhouse and Energy Reporting (Measurement) Determination 2008, 2023 Factors | National Greenhouse and Energy Reporting (Measurement) Determination 2008, 2023 Factors |
| Telfer | South-Western Australia | National Greenhouse and Energy Reporting (Measurement) Determination 2008, 2023 Factors | National Greenhouse and Energy Reporting (Measurement) Determination 2008, 2023 Factors |
| Brucejack | British Columbia | Carbon Footprint, Province Specific Electricity Grid Greenhouse Gas Emission Factors | Carbon Footprint, Country Specific Electricity Grid Greenhouse Gas Emission Factors |
| Éléonore | Quebec | Carbon Footprint, Province Specific Electricity Grid Greenhouse Gas Emission Factors | $CO_2$ Emissions and Hydro-Québec Electricity, 1990-2021 |
| Musselwhite and Porcupine | Ontario | Carbon Footprint, Province Specific Electricity Grid Greenhouse Gas Emission Factors | Canada's National Inventory Report, 1990-2021, Part 3 |
| Red Chris | British Columbia | Carbon Footprint, Province Specific Electricity Grid Greenhouse Gas Emission Factors | Carbon Footprint, Country Specific Electricity Grid Greenhouse Gas Emission Factors |
| Peñasquito | Zacatecas | IEA Emissions Factors | Supplier specific, Saavi Energia sustainability report |
| CC&V | Colorado | US EPA - RMPA EGRID SubRegion | Supplier specific, Black Hills Energy Sustainability Report |
| Yanacocha | Peru | IEA Emissions Factors | Based on PPA and REC purchasing |
| Cerro Negro | Argentina | IEA Emissions Factors | IEA Emissions Factors |
| Merian | Suriname | IEA Emissions Factors | IEA Emissions Factors |

# Scope 3

Of the 15 categories within Scope 3, nine of them are deemed relevant to Newmont, and therefore calculated and reported as outlined in Table 3. The following sub-sections provide the calculation boundary and methodology that is followed, the generalized data sources and emission factors of the Scope 3 GHG inventory.

*Table 3: Scope 3 categories contained in Newmont's GHG emissions inventory*

| Source | Relevant? | Examples of emissions sources within each category (Note: examples do not include all inputs) |
|---|---|---|
| Category 1: Purchased goods and services | Yes | Production of cyanide which is used by Newmont<br>Contractors operating their own equipment on site |
| Category 2: Capital goods | Yes | Production of mine haul trucks |
| Category 3: Fuel and energy related activities | Yes | Production of diesel used by Newmont<br>Production of fuel used in the power plant from which Newmont purchases electricity |
| Category 4: Upstream transport | Yes | Transport of products for which Newmont is paying for the shipping |
| Category 5: Waste generated in operations | Yes | Disposed packaging from purchased materials |
| Category 6: Business travel | Yes | Flights taken by Newmont employees to travel between locations |
| Category 7: Employee commuting | Yes | Travel by employees from their residence to work location |
| Category 8: Upstream leased assets | No | Not included – not relevant as Newmont does not operate leased upstream assets |
| Category 9: Downstream transport | No | Not included – not relevant (Newmont pays for all shipping) |
| Category 10: Processing of sold products | Yes | Downstream smelter which processes Newmont concentrate |
| Category 11: Use of sold products | No | Not included – not relevant for consistency with industry standards and insufficient data granularity |
| Category 12: End-of-life of sold products | No | Not included – not relevant for consistency with industry standards and insufficient data granularity |
| Category 13: Downstream Leased Assets | No | Not included – not relevant as Newmont does not operate leased downstream assets |
| Category 14: Franchises | No | Not included – not relevant as Newmont does not have franchised operations |
| Category 15: Investments | Yes | Sites for which Newmont has shared ownership with another company and is not the operational manager |

## Data Types

Newmont utilizes a combination of various types of activity data (i.e., volume of fuel consumed, weight of purchased materials, weight of products sold, quantity of money spent) to determine Scope 3 GHG emissions for all categories deemed relevant, other than Category 15 which utilizes estimated Scope 1 and 2 GHG emissions for Newmont's investments. The *Newmont GHG Emission Factors Master Database* includes the specific emission factor used and the associated source file.

This activity data is multiplied by relevant emission factors sourced from industry-average databases, except for where there are factors specific to the supplier or customer. Where relevant, the supplier- and customer-specific factors are preferred over industry-average database factors. National or regional factors, for example from a national government database, are preferred over industry-average factors. Emission factors are updated regularly based on updates to the industry-average databases and with published emission factors from suppliers and customers. Newmont engages with suppliers and customers and evaluates available supplier and customer-specific GHG

data based on completeness (e.g., full cradle-to-gate emissions for suppliers) and transparency and accuracy (e.g., assured data).

Spend-based emission factors are obtained from the US EPA Supply Chain Greenhouse Gas Emission Factors for US Industries and Commodities. For each reporting year, the database version available by December 1st of that year is used. The GHG Protocol recommends using spend-based emission factors related to the individual spend items, where possible. Newmont reviewed the emission factor categories from the US EPA and appropriately assigned them to Newmont's expense categories.

### Inflation and Exchange Rate Adjustment

As recommended by the GHG Protocol and the US EPA, the emission factors were adjusted for inflation by multiplying the emissions factor by the Consumer Price Index (CPI) of the year of the factor and dividing by the CPI of the year of the report (CPI values are derived from S&P Capital IQ for USA). Similarly, Newmont has adjusted for currency exchange rate changes over time by multiplying the spend by the foreign exchange rate of the year of the factor and dividing by the foreign exchange rate of the year of the report.

## CATEGORY 1: PURCHASED GOODS AND SERVICES

### Measurement and Calculation Methods

A combination of the average data (physical units) and spend-based data methods, as described in the GHG Protocol Scope 3 Calculation Guidance, are used to calculate these emissions. For the average data method, the quantity of relevant goods or services purchased in the reporting year is multiplied by the secondary (e.g., industrial average) emission factors (e.g., average emissions per unit good or service). Cradle-to-gate emission factors of the purchased goods or services per unit of mass are used (e.g., kg $CO_2e$ /kg). The spend-based method is used for expenditures that are categorized as purchased goods and services, but where usage data has not been obtained, as well as operating expenditures for consulting and contracted services. All other emissions associated with operating expenditures relevant for Category 1 are calculated using the average-data method. The majority of Category 1 emissions are calculated using the average-data method.

The average-data method is represented by the following equation:

> $CO_2e$ emissions for purchased goods or services = Σ(mass of purchased good or service (kg) x emission factor of purchased good or service per unit of mass (kg $CO_2e$/kg))

The spend-based method is represented by the following equation:

> $CO_2e$ emissions for purchased goods or services = Σ(value of purchased good or service (USD) x emission factor of purchased good or service per unit of economic value (kg $CO_2e$/USD))

### Emission and Data Sources

*Average data method*

The total consumption tonnage or volume of purchased goods and services during the year is collected from Newmont's business systems. Goods and services considered are selected based on a review of the highest spend items. These are grinding media, sodium cyanide, lime, cement, lubricants, hydrochloric acid, sulfuric acid, nitric acid, tires, cement, ammonium nitrate, ANFO, and emulsion. For explosive quantities, the amount purchased is used, rather than amount consumed per year. Other lower spend consumable items, including chemicals and reagents items, are not

included because these activities are expected to be insignificant in size (compared to the company's other sources of emissions) and for these activities the ability to collect data and influence GHG reductions is limited.

*Spend-based method*

This category also includes capitalized purchased goods and services and consulting and contractor services captured within Newmont's financial accounting records. The capitalized and operational spend data uses the spend-based data method to calculate emissions. Spend account categories are reviewed and validated each year and include:

- Chemicals and reagents, excluding those calculated using the average data method
- Consulting services (both capitalized and operating spend)
- Contracted services (both capitalized and operating spend)
- Consumables, excluding those calculated using the average data method
- Explosives, excluding those calculated using the average data method
- Expenses related to project and site activities (categorized by Newmont as 'Allocations' and including, but not limited to, spend associated with site transportation, camp/messing)
- Ground support
- Other operating expenses
- Other related third-party costs
- Safety and environmental
- Travel and entertainment

Certain spend accounts are not included because they do not generate emissions. These accounts include:

- Capitalized interest
- Depreciation
- Employee administrative costs
- Fees and dues
- Labor fees and labor tax
- Non-employee related taxes
- Non-tax statutory payments
- Rents and operating leases

## Emission Factors

A combination of the *Ecoinvent database* (using the *IPCC 2021 GWP100 V1.02* method), the UK BEIS Conversion factors database, and supplier-specific factors are applied. For ANFO and emulsion, the Australian Greenhouse Office - Factors and Methods Workbook 2004 is used. Spend-based emission factors are obtained from the *US EPA Supply Chain Greenhouse Gas Emission Factors*.

In some calculations, general emission factors are used for consumables with similar upstream production processes, due to the lack of specific factors.

### Notes and Assumptions

Upstream contractor emissions on-site are calculated using the spend-based data method,. This is for all upstream emissions of the service. The combustion of all fuels used by contractors are considered in Scope 1 and the associated upstream emissions in Scope 3, Category 3.

Spend data does not include spend by joint-ventures, as all emissions from joint-ventures are included in Category 15.

## CATEGORY 2: CAPITAL GOODS

### Measurement and Calculation Methods

The spend-based data method is used to calculate these emissions. The spend on relevant capital goods purchased in the reporting year is multiplied by the spend-based emission factor (e.g., average emissions per unit spent).

The calculation method is represented by the following equation:

> $CO_2e$ emissions for capital goods = Σ (spend on capital goods (USD) x emission factor of purchased capital good per economic value (kg $CO_2e$/USD))

### Emission and Data Sources

Capitalized spend (goods that have an extended useful life) including liners and wear parts and maintenance parts are included in this category and are captured within Newmont's financial accounting records.

### Emission Factors

Spend-based emission factors are obtained from the *US EPA Supply Chain Greenhouse Gas Emission Factors*.

## CATEGORY 3: FUEL AND ENERGY-RELATED ACTIVITIES

### Measurement and Calculation Methods

A combination of the average data and spend-based data methods are used to calculate Category 3 emissions.

*Average-data method*

The amount of fuel or energy purchased, or the transmission and distribution (T&D) losses in the reporting year are multiplied by secondary (e.g., industrial average) emission factors for upstream emissions per unit of consumption (e.g., kg $CO_2e$ /kWh).

*Spend-based method*

The spend-based data method is only used for capital expenditures that are categorized as fuel and energy-related activities. All other emissions associated with operating expenditures relevant for Category 3 are calculated using the average-data method set out in Category 1.

The calculation method is represented by the following equations:

> Upstream $CO_2e$ emissions of purchased fuels = Σ (fuel consumed ($m^3$) x upstream fuel emission factor (kg CO2e/$m^3$))
>
> Upstream $CO_2e$ emissions of purchased electricity = Σ (electricity consumed (kWh) x (electricity generation emission factor + T&D loss emission factor) (kg $CO_2e$/kWh))

### Emission and Data Sources

Quantity of purchased fuel per supplier, including Diesel, Heavy Fuel Oil, Natural Gas, Propane/ LPG, Biodiesel, Gasoline, Used (Waste) Oil, Acetylene and Purchased electricity per site captured by Newmont's business systems. Capitalized spend in categories diesel, electric power, fuel gases and other fuels are also included in this category and recorded in Newmont's financial accounting records.

### Emission Factors

Emission factors are obtained from *UK BEIS Conversion factors database.* Spend-based emission factors are obtained from the *US EPA Supply Chain Greenhouse Gas Emission Factors*.

An average African electricity T&D losses emissions factor is used for the Ghana operations. An average Latin American electricity T&D losses emissions factor is used for Cerro Negro, Merian, and Yanacocha.

### Notes and Assumptions

Emission factors are based on well-to-tank (WTT) conversion factors that include the upstream Scope 3 emissions associated with extraction, refining, and transportation to an organization's site or asset. For all power (renewable and non-renewable), T&D losses are estimated, and relevant generation emissions factors then applied.

The combustion of all fuels used by contractors are considered in Scope 1 and the associated upstream emissions in Scope 3, Category 3.

## CATEGORY 4: UPSTREAM TRANSPORTATION AND DISTRIBUTION

### Measurement and Calculation Methods

The distance-based and spend-based data methods are used to calculate transportation emissions. For sold products (outbound) and intracompany flows, data is collected on the mass of material, distance transported, and mode of transportation. The mass or volume of goods transported is multiplied by the distance and the relevant mass-distance emission factors that incorporate average fuel consumption, average utilization, average size and mass or volume of goods and the vehicles, and their associated GHG emissions (e.g., kg $CO_2e$/tonne-kilometer). The spend-based data method is used for capital expenditures that are categorized as upstream transportation. All other emissions associated with operating expenditures relevant for Category 4 are calculated using the distance-based method.

The distance-based calculation method is represented by the following equation:

> $CO_2e$ emissions from transportation = Σ (mass of goods (tonnes or volume) x distance travelled in transportation (km) x emission factor of transport mode or vehicle type (kg $CO_2e$/tonne or volume-km))

### Emission and Data Sources

The wet weight mass / volume, distance and mode for each transportation route is compiled and each route is divided into the different modes of transportation using distances calculated online and from internal review. Relevant downstream and intracompany transportation to buyers is considered in this category.

Gold and silver products sold and zinc, lead, and copper concentrates from Peñasquito and Boddington are considered.

Capitalized spend in categories freight air, freight land, and freight sea are considered in this category.

### Emission Factors

The appropriate mass-distance emission factor for transportation method used e.g., $CO_2e$/t/km, is obtained from the *UK BEIS Conversion factors database*. Transportation emission factors include upstream transportation and well-to-tank factors per mode of transportation.

Ecoinvent market model emission factors are used in Category 1 and thus upstream transportation of consumables is included there.

Spend-based emission factors are obtained from the *US EPA Supply Chain Greenhouse Gas Emission Factors*.

### Notes and Assumptions

For all sites, the transportation agreements and transportation costs are handled and purchased either directly by Newmont or are passed indirectly to Newmont from the refiner (in the cases where the agreements are between the transportation company and the refiner). Given all transportation services are purchased either directly or through an intermediary of Newmont, these emissions are classified as Category 4 (upstream transportation), instead of Category 9 (downstream transportation).

## CATEGORY 5: WASTE GENERATED IN OPERATIONS

### Measurement and Calculation Methods

The average-data method is used to calculate these emissions. The quantity of relevant waste generated in operations in the reporting year is multiplied by the secondary (e.g., industrial average) emission factors (e.g., average emissions per kg of waste generated). Emission factors of the processing of generated waste per mass of waste are used (e.g., kg $CO_2e$/kg).

The calculation method is represented by the following equation:

> $CO_2e$ emissions from waste generated in operations = Σ (mass of waste (tonnes or volume) x emissions factor of waste generated (kg $CO_2e$/kg).

### Emission and Data Sources

Tonnage of waste generated and processed off-site by all operations is collected for the following:

- Hazardous waste landfilled
- Hazardous waste incinerated (with and without energy recovery)
- Hazardous waste disposed by other method
- Non-hazardous waste landfilled
- Non-hazardous waste incinerated (with and without energy recovery)
- Non-hazardous waste disposed by other method

### Emission Factors

For hazardous waste incinerated with and without energy recovery, the *Ecoinvent 3.9, IPCC 2021 GWP100 V1.02* method is used, and the associated value obtained from Ecoinvent. All other waste landfilled or disposed by another type of disposal method use the Commercial and industrial waste landfilled factor from the *UK BEIS 2023 Conversion Factors*.

### Notes and Assumptions

Emissions associated with waste processed on-site are included in Scope 1, whereas waste processed off-site is included in Scope 3.

## CATEGORY 6: BUSINESS TRAVEL

### Measurement and Calculation Methods

The distance-based method is used to calculate transportation emissions. For each trip, data is collected on the distance travelled and mode of transportation. The distance travelled is multiplied by the relevant mode-specific distance emission factors that incorporate average fuel consumption, average utilization, average size, and mass of the transport, and their associated GHG emissions (e.g., kg $CO_2e$/km).

The calculation method is represented by the following equation:

> $CO_2e$ emissions from business travel= Σ (distance travelled (km) x transport vehicle emissions factor (kg $CO_2e$/km)).
>
> $CO_2e$ emissions from air travel= Σ (distance travelled (km) x transport emissions factor (kg $CO_2e$/passenger.km)).
>
> $CO_2e$ emissions from hotel stays= Σ (nights stayed (number) x hotel stays emissions factor (kg $CO_2e$/room/night)).

### Emission and Data Sources

All business travel booked by each transport category is collected e.g., aircraft, rail, auto (taxi), hotel stays, etc. This is provided by the travel agencies that book Newmont travel or by the charter companies that manage flights to site.

### Emission Factors

Emission factors of each transport mode are used from *UK BEIS Conversion factors*. Travel emission factors include upstream transportation and well-to-tank factors per mode of transportation and include radiative forcing.

## CATEGORY 7: EMPLOYEE COMMUTING

### Measurement and Calculation Methods

The distance-based method as described in the GHG Protocol Scope 3 Calculation Guidance is used to calculate transportation emissions. Data is collected on the distance travelled and mode of transportation. The distance travelled is multiplied and the relevant mode-specific distance emission factors that incorporate average fuel consumption, average utilization, average size, and mass of the transport and their associated GHG emissions (e.g., kg $CO_2e$/km).

The calculation method is represented by the following equation:

> $CO_2e$ emissions from employee commuting= Σ (distance travelled (km) x transport vehicle emissions factor (kg $CO_2e$/passenger, km)).

### Emission and Data Sources

Newmont's Human Resources provides the number of employees per site and those not assigned to a site (e.g., Corporate). Conservative assumptions of 5 working days a week, 52 weeks a year and that all employees drive their own car to work with a total distance commute of 40 km/day are used.

### Emission Factors

Business travel by land emissions factor is used from *the UK BEIS Conversion factors database*. Travel emission factors include upstream transportation and well-to-tank factors per mode of transportation.

## CATEGORY 10: PROCESSING OF SOLD GOODS

### Measurement and Calculation Methods

A hybrid-data calculation method (average-data and site-specific) is used to estimate emissions for processing of sold intermediate products based on average secondary data, such as average emissions per downstream process by product sourced from lifecycle assessments, and customer-specific factors. Where customer-specific factors are available, the site-specific method is used instead of the average-data method.

The calculation method is:

> $CO_2e$ emissions from processing of sold intermediate products = Σ Quantity/mass of intermediate product sold x the relevant average-data or site-specific emission factor for the intermediate product sold

The emission factors for the processing of sold intermediate products take into consideration emissions related to the fuel, electricity, and waste from processing of these products. Where site-specific or product-specific factors are unavailable, an overall lifecycle emission factor for the sold product is used.

### Emission and Data Sources

The mass or quantity of sold intermediate products from operations under Newmont's operational control, including doré and concentrate products, are collected from Newmont's business systems. Products from joint ventures where Newmont does not have operational control are excluded, therefore only the operating sites are included.

### Emission Factors

For gold refining, Newmont uses the World Gold Council global gold refining emissions factor recommendation as published in their Gold Mining and Scope 3 GHG Emissions Accounting and Reporting Guidance Notes.

Downstream processing emission factors for lead concentrate exist by processing route (e.g., direct smelting, Imperial Smelt Furnace, Treatment of secondary raw materials) with the US EPA (2009) Technical Support Document for the Lead Production Sector. The appropriate emission factor was chosen based on the processing route of the customer, otherwise an average or customer-specific factor was chosen.

Other emission factors are obtained from either the customer's publicly available sustainability data or generic factors for the specific processing route of copper, zinc, and molybdenum concentrate sold.

## CATEGORY 15: INVESTMENTS

### Measurement and Calculation Methods

Newmont's equity share of Scope 1 and 2 emissions from joint venture management companies, including those with 50/50 ownership, are included in this category. In 2019 and 2020, Scope 2 emissions provided from joint ventures were location-based values. Beginning in 2021, the joint

venture partner provided market-based values, and will continue reporting market-based values. Following the *Technical Guidance for Calculating Scope 3 Emissions from GHG Protocol*, Scope 3 emissions generated from joint ventures are excluded. Exclusion was determined following a relevancy and significance test that includes criteria of size, influence, business goals, and data availability. Where Newmont does have joint venture operational control, all the associated emissions are calculated and reported in Scopes 1 and 2.

All other equity investments do not meet the materiality threshold on both quantitative (i.e., emissions size) and qualitative (i.e., ability to influence) factors. Consequently, these have been excluded.

The calculation method is represented by the following equation:

> $CO_2e$ emissions from investments= Σ (Scope 1 and 2 emissions from investments x percentage ownership).

## Emission and Data Sources

For the investment-specific method, the Scope 1 and 2 emissions from the investee company are collected.

The investment materiality threshold is an equity share of >5%. Those investments considered are Pueblo Viejo (40% Newmont ownership) and Nevada Gold Mines (38.5% Newmont ownership), for which the market-based emissions were used.

Barrick uses GWPs from the *Intergovernmental Panel on Climate Change (IPCC) 5th Assessment Report (AR5)* in the calculation of their inventory, whereas Newmont uses AR6. The difference between AR5 and AR6 is deemed to be immaterial for this category.

## Emission Factors

None are needed for investment-specific methods.