

## **OUR PURPOSE IS TO CREATE VALUE AND IMPROVE LIVES THROUGH SUSTAINABLE AND RESPONSIBLE MINING**







ETHICS AND GOVERNANCE →



OUR PEOPLE →



ECONOMIC AND SOCIAL PERFORMANCE →



**ENVIRONMENTAL** STEWARDSHIP →



## **OVERVIEW**

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.



REPORTING IN ACCORDANCE WITH GRI'S G4 CORE OPTION GUIDELINES. →

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Chief Executive's Message



Message from the Safety and Sustainability Committee Chair



Our Business



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# CHIEF EXECUTIVE'S MESSAGE



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#### Dear Stakeholder,

Newmont has been creating economic value and contributing to strong communities and healthy ecosystems for nearly 100 years. Sustainability is one of our core values and managing our economic, social and environmental risks, obligations and opportunities is central to our business strategy. I'm pleased to report on the progress our team made last year, and where we have more work to do to achieve our purpose, which is to create value and improve lives through sustainable and responsible mining.

In 2015, we reduced our total injury rate by 18 percent to among the best in the mining industry and our Akyem operation reached more than 400 days working without injury. This performance was overshadowed, however, by the loss of two colleagues – Brian Holmes suffered a fatal injury traveling in a shaft elevator in Nevada, and Pak Mastar Tedi succumbed to injuries he received when he was struck by a falling tree in Indonesia. These tragic events serve as a reminder that our work to improve behaviors and controls must continue until we reach our goal of zero harm.

We outperformed our cost and production targets, which helped us to increase adjusted EBITDA by 29 percent to \$2.7 billion and nearly double free cash flow to \$756 million, despite a nine percent drop in realized gold price. Strong business results gave us the means to repay debt, return capital to investors, and reinvest in growth. We acquired and integrated Cripple Creek & Victor, a gold mine in Colorado; sold two non-core assets, Waihi and Valcambi, for fair market value; and advanced construction of our Merian and Long Canyon projects to establish new gold districts in Suriname and Nevada. We also added five million ounces to our gold reserve base through our exploration program.

Efforts to streamline our business, transition people affected by transactions and build new projects meant changes for thousands of people. We were able to effect these changes while treating employees fairly and with respect, meeting local employment commitments and building a more diverse talent pipeline. In 2015, a handful of employees failed to work in accordance with our Code of Conduct – and some lost their jobs as a result – but the vast majority of our team did the right thing, day in and day out, even under difficult circumstances.

Newmont was named the mining sector leader by the Dow Jones Sustainability Index in 2015. Our team met targets to improve water management and concurrent reclamation planning, and established a baseline for local employment and procurement. We did not, however, meet our global target for complaints and grievances resolution, and are working to improve that performance. Last year we also introduced new standards and strategies on human rights, energy and climate change, and integrated sustainability objectives into our 2016 annual incentive compensation program. Other highlights include:

- Significantly reducing mercury and sulphur dioxide emissions in Australia by decommissioning our old roaster at KCGM and replacing it with an ultra-fine grind mill
- Advancing our Sagebrush Ecosystem Conservation Program in Nevada, designed to protect a broad range of local plant and animal species, in partnership with government
- Concluding a nine-year independent study in Indonesia that showed no adverse impacts related to marine tailings disposal at a former mine site
- Forming an independent advisory panel in Peru to help resolve a contentious land dispute
- Improving basic education near Ahafo through a five-year program launched by the Newmont Ahafo Development Foundation that funds grants, infrastructure and training

Most of these examples serve to demonstrate the importance we place on working collaboratively to improve our sustainability performance and standards. We are one of only six global companies piloting 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 initiatives.

While I'm proud of our team's accomplishments in 2015, we must always look for safer and more sustainable ways to run our business. Our goals for 2016 include eliminating fatalities; surveying our employees and external stakeholders to ensure that we understand their needs and expectations; integrating our risk management systems; and more closely aligning leaders' compensation with our sustainability performance.

Please read the rest of this report for more detail on how we are building a more resilient business and working to make a stronger contribution to sustainable development. On behalf of the entire Newmont team, we appreciate your interest and welcome your feedback.

Sincerely,

Gary J. Goldberg

President and Chief Executive Officer

Tay J. Tolelberg



MESSAGE FROM THE SAFETY AND SUSTAINABILITY COMMITTEE CHAIR



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#### Dear Stakeholder,

Newmont's Board of Directors established the Safety and Sustainability Committee to ensure that the Company's commitment to health and safety, and environmentally sound and socially responsible resource development is demonstrated throughout every phase of the mine lifecycle.

In 2015, Newmont operated in a challenging business environment but remained steadfast in its commitment to demonstrate safety and sustainability leadership. The Committee monitored sustainability strategies and performance through quarterly meetings, monthly updates and site visits, taking a close interest in Newmont's efforts to improve its safety record, meet global and regional commitments, and strengthen and integrate its approach to social and environmental risk management.

The Committee noted successful work to improve injury rates, verify critical controls for top fatality and health risks at each of Newmont's operations, and align the Company's approach to fatality prevention with the critical risk management guidance issued in 2015 by the International Council on Mining and Metals (ICMM). Management briefed the Committee and full Board on two fatalities suffered during the year and the safeguards and system improvements implemented to prevent recurrences.

The Committee also renewed its focus on Newmont's commitment to respect and promote human rights. This included updating the Committee's charter to more explicitly reflect its oversight on human rights and operational security, reviewing the Company's refreshed security strategy and its alignment to the Voluntary Principles on Security and Human Rights, and receiving feedback on the human rights gap assessments and pilots carried out at several operational sites as part of the Company's rollout of its new Human Rights Standard. A number of human rights and operational security issues were also addressed by the full Board.

Committee members were pleased to note Newmont's performance in meeting global public targets to establish water accounting frameworks and develop concurrent reclamation plans at each of its operations. News of the tragic tailings dam failure in Brazil drove an in-depth review of the Company's closure and reclamation standards and practices as well as Newmont's active participation in the industry-wide review of global standards led by the ICMM.

The Committee focused on the material social and environmental issues in each of Newmont's regions at its quarterly meetings. Areas of particular focus included:

- North America work to secure permits and social license needed to build a new mine in Long Canyon, Nevada, and to ensure that heritage sites are recorded and protected I also visited Long Canyon in 2015 to make a first-hand assessment of the project
- South America efforts to measure and improve social acceptance in Peru where anti-mining actions and labor unrest is credited with stalling more than \$21 billion in mining investment
- Africa installation of temporary and permanent energy capacity to secure cost-effective, reliable supply, and developing a long-term energy strategy
- Asia Pacific engagement with Indonesian government officials to secure export permits and negotiate an amended Contract of Work to support the stability needed for long-term investment

The Committee also reviewed Newmont's overall approach to managing country risk, supporting growth opportunities in two new countries; its environmental liabilities and accounting treatments; and its political spending throughout the year.

The Committee is encouraged by the Company's progress to address community complaints and grievances in a timelier manner and improve data management and reporting through a new integrated system that supports greater efficiency and more robust assurance.

Over the next few years, the Committee will focus on monitoring Newmont's efforts to eliminate fatalities and serious injuries; improve closure planning and governance, including how impacts on host communities are managed; reduce energy and water intensity; increase opportunities for local employment and procurement; and manage and report human rights risks and impacts in host communities.

Newmont's Safety and Sustainability Committee believes that improving sustainably standards and practices ultimately creates a stronger and more resilient business, and supports management's ongoing goal to lead the gold sector in profitability and responsibility.

Sincerely,

Joseph A. Carrabba

Joseph A. Camble

Chair, Safety and Sustainability Committee of the Board of Directors



# **OUR BUSINESS**



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Newmont Mining Corporation (Newmont) is one of the world's leading gold and copper producers. The Company was founded in 1921 and has been publicly traded since 1925. Headquartered in Greenwood Village, Colorado, Newmont has approximately 32,000 employees and contractors who work at operations and advanced development projects in six 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 and has remained on the prestigious index every year since.

Newmont's 100 percent-owned operating assets include the Boddington and Tanami mines in Australia; Ahafo and Akyem operations in Ghana; three operating complexes (Carlin, Phoenix and Twin Creeks) in Nevada; and the Cripple Creek & Victor (CC&V) mine in Colorado, which Newmont acquired in mid-2015.

Joint venture operations where Newmont owns 50 percent or more and/or is the operator include KCGM in Australia (50 percent); Batu Hijau in Indonesia (effective economic interest of 48.50 percent); and Yanacocha in Peru (51.35 percent).

Newmont's optimized project and exploration pipeline consists of promising growth projects, including two greenfield projects – the Merian project in Suriname (with 25 percent ownership by the government of Suriname) and the Long Canyon project in Nevada – and two expansion projects in the execution stage – at Tanami and CC&V.

#### **Newmont Operations and Projects**



hana: Ahafo hana: Akyem oddington	Tanami expansion project	805 attributable Koz*
<u> </u>	Tanami expansion project	
oddington	Tanami expansion project	
	ranam expansion project	1,722 attributable Koz*¹
CGM joint venture		
anami operations		
atu Hijau mine operated y PT Newmont Nusa Tenggara		328 attributable Koz*
evada: Three operating complexes (Carlin, hoenix and Twin Creeks)	Nevada: Long Canyon project (production to begin early 2017**)	1,643 attributable Koz*²
olorado: Cripple Creek & Victor operation	Colorado: Cripple Creek & Victor expansion project	
eru: Yanacocha	Suriname: Merian project (production to begin in 2016**)	537 attributable Koz*
at y e h	tu Hijau mine operated PT Newmont Nusa Tenggara  vada: Three operating complexes (Carlin, oenix and Twin Creeks)  lorado: Cripple Creek & Victor operation  ru: Yanacocha	tu Hijau mine operated PT Newmont Nusa Tenggara  vada: Three operating complexes (Carlin, oenix and Twin Creeks)  lorado: Cripple Creek & Victor operation  Colorado: Cripple Creek & Victor expansion project  ru: Yanacocha  Suriname: Merian project (production to begin in 2016**)  5. See cautionary statement.

Our commitment to build a more successful and sustainable business is reflected in our Purpose, Mission, Vision and Values. These articulate the path we will follow into the future and how we will conduct business along the way.

## **Purpose**

To create value and improve lives through sustainable and responsible mining.

## Mission

We transform mineral resources into shared value for our stakeholders and lead the industry in shareholder returns, safety, social responsibility and environmental stewardship.

## Vision

We will be recognized and respected for exceptional economic, social and environmental performance.

## **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.

## **Strategy**

Our business strategy guides our approach to becoming the world's most profitable and responsible gold producer. This strategy is to:

- Secure the gold franchise by running our existing business more efficiently and effectively
- Strengthen the portfolio by building a longer-life, lower-cost asset portfolio
- Enable the strategy through capabilities and systems that create competitive advantage

Our focus on taking our performance to the next level applies to our five strategic pillars that form the basis of our business plan; create alignment across regions, sites and functions; and establish the objectives by which we measure our performance:

- *Health and safety* continue to improve safety leadership and behaviors with a focus on fatality prevention; and strengthen critical controls for the top fatality and health risks
- Operational excellence continue to leverage Full Potential and superior technical skills to maintain profitable production; and continue to optimize the portfolio's value and risk profile
- *Growth* continue to develop new gold districts, profitable expansions and high margin exploration prospects; and advance the next stratum of value-accretive growth options
- *People* continue to drive functional efficiency and build female and national representation in the workforce; and advance efforts to develop the next generation of Newmont leaders
- Sustainability and external relations continue to strengthen stakeholder relationships and raise social and environmental standards; and secure social acceptance in both current and prospective jurisdictions



# OUR APPROACH TO SUSTAINABILITY



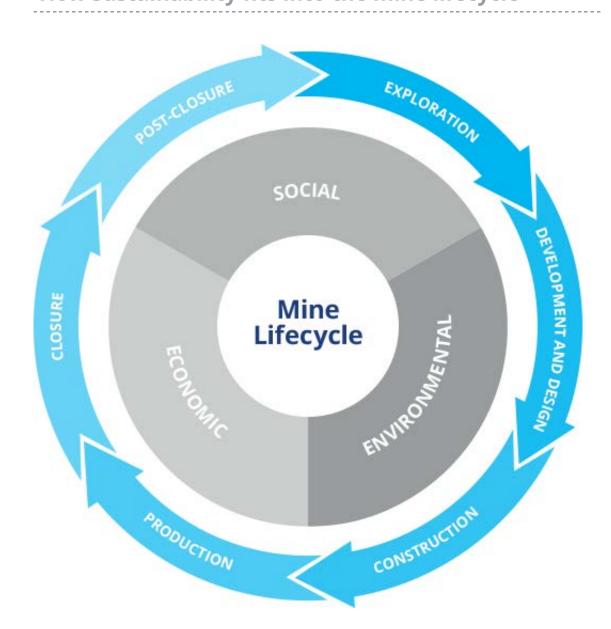
Home / Overview / Our Approach to Sustainability

Mining is a long-term business with commitments and investments that span decades and social, political and environmental risks that are increasingly complex. Effectively managing these risks helps ensure operating stability and creates the financial strength and resilience needed to support sustainable, responsible mineral development that creates value and improves lives.

Sustainability – serving as a catalyst for local economic development through transparent and respectful stakeholder engagement and as responsible stewards of the environment – is one of our core values.

## **Our Sustainability Strategy**

#### How sustainability fits into the mine lifecycle



There is a strong correlation between operational excellence and effectively managing social and environmental risks. Our proactive and systematic approach to sustainability is, first and foremost, to understand and manage these risks throughout the mine lifecycle.

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

#### 1. Secure the gold franchise

To extract value from minerals, we must have the legal licenses and social acceptance to operate. This requires strong performance on the ground in:

- Meeting legal obligations;
- Obtaining necessary permits;
- Engaging with and garnering support from communities;
- Having minimum performance standards fully understood and implemented across all operations and projects; and
- Proactively anticipating and managing environmental and social risks.

Achieving these objectives requires extensive consultation and an inclusive process; people with specialized skills; and leaders who create a culture committed to strong social and environmental results.

#### 2. Strengthen the portfolio

Building a portfolio of long-life, lower-cost gold and copper assets requires discipline and rigor in assessing social and environmental challenges, risks and opportunities.

For example, to pursue opportunities in new jurisdictions we must have a thorough understanding of the social, political and cultural landscape in order to effectively manage the risks. Evaluating key areas – including employment and infrastructure; baseline social and environmental studies and mitigation plans; and essential permits for land, water, construction and operation – is essential to determining the value and viability of the opportunity.

Acquiring mature assets also requires an in-depth understanding of their environmental and social legacies and the magnitude of financial and reputational liabilities that will need to be managed, as well as their economic and social impact. And 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.

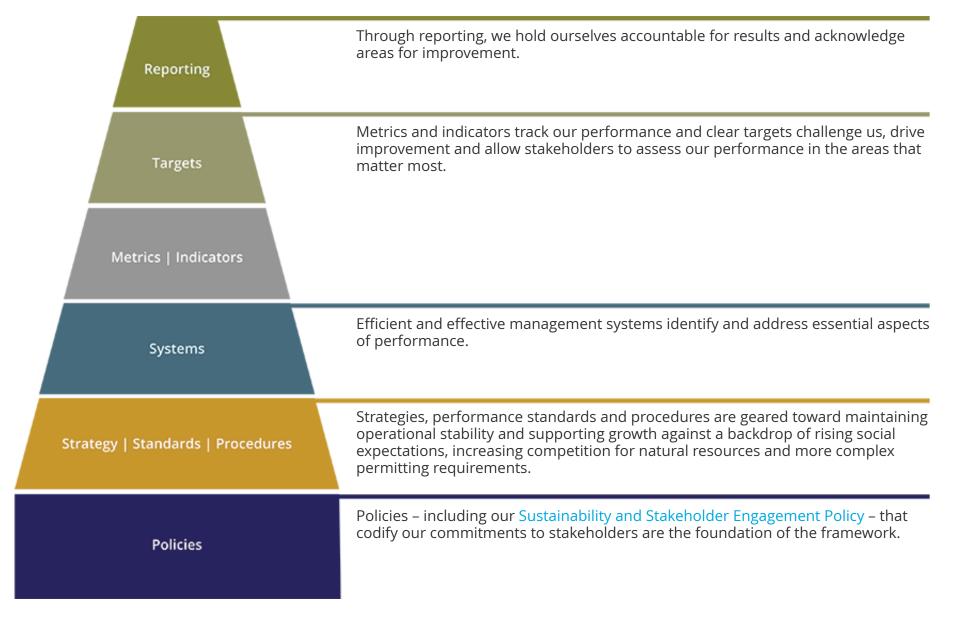
#### 3. Enable the strategy

The third platform 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 capable and motivated team;
- Leaders who visibly and consistently demonstrate their understanding and commitment; and
- Ongoing, meaningful engagement with our full range of stakeholders.

## Sustainability Framework

Our sustainability framework supports implementation of the strategy and links its elements together:



## **Strategic Imperatives**

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

- Performance Achieving industry leading performance in environmental protection, closure and rehabilitation, community engagement and long-term shared value creation forms the foundation of the strategy. In 2015, the Dow Jones Sustainability World Index recognized Newmont's performance, naming the Company the mining sector leader; we met our targets in key areas; and we further enhanced auditing and external reporting practices to drive improved performance.
- Social acceptance and reputation The support of host communities and regional, national and international stakeholders is crucial for our success. Over the past year, we improved our complaints and grievances (C&G) performance; became an early adopter of the United Nations Guiding Principles on Business and Human Rights Reporting Framework; and implemented a new Indigenous Peoples Standard.
- Risk management Effectively identifying and managing social, environmental and political threats and opportunities is necessary to optimize decisions and resource allocation, and deliver on our plans and strategies. In 2015, we finalized and began implementing our energy and climate change strategy; advanced our new Integrated Management System through its first implementation phase; and more closely aligned our 2016 compensation program with our sustainability performance.

## **Our Priorities**

We continually seek to better understand the issues that are most important – or material – to the business and our stakeholders.

To determine priorities for this report, we evaluate a number of factors. These include the issues that address our values, policies and overall strategy; the most significant impacts, threats and opportunities to our business; and the current and future challenges for our industry.

Another key factor includes the issues and expectations raised by both internal and external stakeholders. Ongoing, transparent and honest engagement with our key stakeholders helps us identify, prioritize and validate our material aspects.

Supporting this effort are materiality assessments we conduct with internal and external stakeholders. In 2015, we conducted an internal review of our material aspects using the Global Reporting Initiative's (GRI) G4 Reporting Principles. As a result of this review, we accepted the material aspects that were identified in an assessment conducted by external experts in 2013 as still material and relevant. This external assessment asked more than 30 internal and nearly 70 external stakeholders across our operating regions about the relative importance of more than 50 sustainability issues sourced from a number of leading indices and organizations.

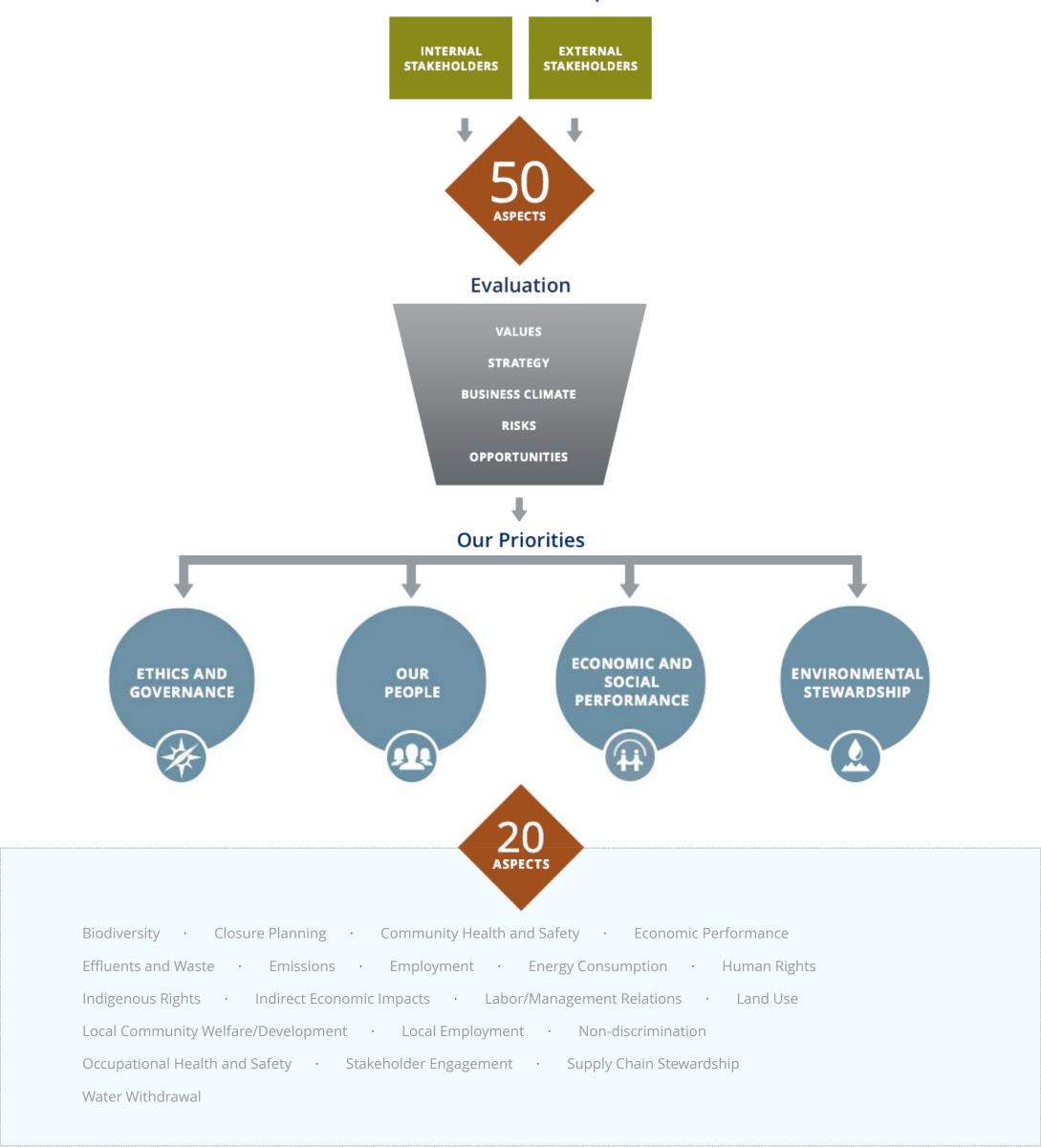
The material aspects we report on also reflect our salient human rights risks, which were determined by using materiality assessments as the starting point and then by examining how our business activities can impact human rights across the supply chain and throughout the life of the mine.

In addition, 12 new materiality aspects and 20 new indicators were reviewed. Because contractors comprise approximately half our workforce, and their performance and behavior are a direct reflection on Newmont, we determined that supplier performance was material to our business. The following new disclosures related to screening new suppliers are included in this report:

- Supplier Assessment for Labor Practices (G4-LA14)
- Supplier Human Rights Assessment (G4-HR10)
- Supplier Assessment for Impacts on Society (G4-SO9)
- Supplier Environmental Assessment (G4-EN32)

We prioritize our material aspects based on level of importance to both internal and external stakeholders as well as the impact to the business. For purposes of this report, our material issues have been grouped into four areas of focus – Ethics and Governance, Our People, Economic and Social Performance, and Environmental Stewardship.

#### **Stakeholder Issues and Expectations**



Because we do not have traditional customers, the GRI's G4 Product Responsibility indicators are not applicable to our business and, therefore, not covered in this report. The gold we mine is sold on the spot market, which is a commodities or securities market in which goods are sold for cash and delivered immediately. Contracts bought and sold on these markets are immediately effective.

Our Board of Director's Safety and Sustainability Committee reviews our progress in addressing material aspects on an ongoing basis.

As business and stakeholder priorities shift over time, we will continue to monitor and assess those issues that impact our ability to deliver on our strategic objectives, meet expectations and create value for all our stakeholders.

## **Targets**

Measuring our performance and reporting on our progress are key elements of our sustainability framework. Targets demonstrate our commitment to transparency; support mandatory minimum performance requirements that improve our ability to manage risks; and reflect our commitment to continuous improvement.

In 2014, we developed global external targets for complaints and grievances, water management, and closure and reclamation. During 2015, we established 2016 targets for local procurement and local employment, community commitments and security performance.

Our performance against our 2015 targets is summarized below with additional discussion provided in each respective section of this report.



Target met



Target almost met



Target not met



## TARGET

All sites (100 percent) implement and complete a Water

Accounting Framework (WAF)

#### COMMENTARY

The completion and implementation of Water Accounting Frameworks (WAF) across all sites marks an important milestone in our ability to apply a consistent water management approach; routinely track and report water use and performance; compare relative water use with other uses in the basin, among sites and with others in the industry; and support development of future water efficiency projects and targets.

## FOR MORE INFORMATION

2015 PERFORMANCE

Water



#### Complaints and grievances (C&G)

#### TARGET

## All sites (100 percent) close

(defined as handling complaints that may be resolved between the site and the complainant) 87 percent of tier 1 complaints and grievances within 30 days

Tier 1 is defined as those that can be resolved between Newmont and complainants without the need for external mediation and/or legal proceedings.

#### COMMENTARY

We did not achieve our target for 100 percent of sites to close at least 87 percent of tier 1 complaints and grievances (C&G) within 30 days.

Of the seven operating sites and one project that received a complaint or grievance, five sites resolved 93 percent or more of tier 1 C&Gs within 30 days, while two operating sites and one project did not meet the target to resolve 87 percent of tier 1 C&Gs within 30 days.

To meet our 2016 goal for all sites to resolve 90 percent of tier 1 C&G within 30 days, additional support will be provided, particularly to those sites that did not meet their 2015 target. We also will launch a social responsibility community of practice (COP) to facilitate the exchange of ideas and provide support across sites on a number of topics, including C&Gs.

## FOR MORE INFORMATION

Community

Relationships

2015 PERFORMANCE



**TARGET COMMENTARY** FOR MORE 2015 **PERFORMANCE** INFORMATION

All sites (100 percent) develop and complete an approved Concurrent Final Reclamation Plan that identifies total area to be reclaimed each year

With the completion of Concurrent Final Reclamation Plans, all sites have established the areas to be reclaimed during 2016 and have calculated their closure costs. These estimated liabilities are reviewed at the site, region and corporate level.

Closure and Reclamation



TARGET	COMMENTARY	FOR MORE INFORMATION	2015 PERFORMANCE
Zero fatalities	Two fatalities occurred during the year, one at the Leeville underground mine in Nevada and one at the Batu Hijau mine in Indonesia.	Health and Safety	
	Our priority is to eliminate fatalities. Through critical control management plans (CCMP), we are working to ensure the controls needed to stop events that result in fatalities are in place and functioning as designed. For 2016, we will work to further embed our approach to critical controls, with a strong focus on verifying the effectiveness of the controls.		
Reduce Total Recordable Injury Frequency Rate (TRIFR) by 10 percent	focus on verifying the effectiveness of the controls.  Experienced notable progress in reducing injuries and lowering TRIFR by 18 percent.	Health and Safety	

**OVERVIEW** 



STAKEHOLDER ENGAGEMENT



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Stakeholder engagement

We recognize that our stakeholders – who we consider to be any person or organization influential to our success or potentially impacted by our activities – are increasingly interested in our approach and performance in managing the social, environmental and economic aspects of our business.

We are committed 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 as well as validate our salient human rights issues.

While specific interests, concerns and frequency of engagement vary by region and stakeholder groups, our approach to engaging with our main stakeholder groups to better understand their interests and concerns is globally consistent as illustrated in the following table.

STAKEHOLDER	KEY TOPICS AND AREAS OF INTEREST	OUR APPROACH TO ENGAGEMENT AND ADDRESSING TOPICS AND AREAS OF INTEREST
STAKEHOLDEK	RET TOPICS AND AREAS OF INTEREST	TOPICS AND AREAS OF INTEREST
Employees	Safe and healthy work environment	Code of Conduct, policies and standards, collective
	<ul> <li>Strategy and direction of organization</li> </ul>	bargaining/contract negotiations, Vital Behaviors and Safety Leadership Coaching programs, training and
	<ul> <li>Workplace diversity and inclusion</li> </ul>	development programs, Ethics line, conversations
	<ul> <li>Wages, benefits, recognition and commitments</li> </ul>	between managers and employees, performance
	<ul> <li>Opportunities for career advancement and/or development</li> </ul>	feedback, engagement surveys, town hall meetings, employee communications channels
	Workplace agreement terms and conditions	For more information, visit Our Workplace and
	Responsible business practices	Workforce Rights.
Suppliers/contractors	Safe and healthy work environment	Contract negotiations, Code of Conduct, policies,
	<ul> <li>Contract terms and conditions</li> </ul>	standards, participation in contractor safety programs and continuous improvement initiatives, global and
	<ul> <li>Business opportunities</li> </ul>	regional supplier summit conferences, local content
	<ul> <li>Financial and operating performance</li> </ul>	partnerships, social responsibility partnerships,
	<ul> <li>Responsible business practices</li> </ul>	meetings and personal communications
	<ul><li>Innovation</li></ul>	For more information, visit Supply Chain Stewardship
	Operating efficiencies	and Local Employment and Business Opportunities.

Strong partnerships

#### Governments and Taxes and royalties Regulatory filings, responses to requests for information, regulatory bodies participation in events and forums, collaboration on Jobs government/industry campaigns and programs, tours of Infrastructure operations and site visits, meetings and personal • Contribution to national and local socio-economic communications development priorities Environmental stewardship Regulatory and legal compliance Compliance with mining license • Government regulations and permitting Shareholders, investors • Financial and operating performance Annual and quarterly reports, regulatory filings, investor and analysts conferences, annual general meeting, investor road • Share price performance shows, mine site tours, analyst days, regular meetings Dividend payments and communications via telephone, email, website and mailings Balance sheet strength Reserves and resources • Safety, health, environmental and social performance Reputation and ethics Government regulations and permitting Mergers, acquisitions and divestments Host communities • Safe and healthy operations Participation in social and environmental assessments, socio-economic programs, foundations and trusts, Jobs and local business opportunities complaints and grievances mechanisms, forums, Community investment conferences, site visits, surveys, community development committees and boards, meetings and Environmental stewardship including access to clean personal communications • Access to education and skills development Visit Community Relationships for more information. Infrastructure Transparency in distribution of direct and indirect contributions Indigenous peoples' rights Community wellbeing Reputation and ethics Non-governmental Transparency and accountability Social/community/other assessments, participation in organizations (NGO), multi-stakeholder initiatives, partnerships, forums, Governance multinational conferences, participation in thought-leadership panels organizations and civil Social performance and advisory councils, questionnaires, meetings and society personal communications • Human rights and free, prior and informed consent for indigenous peoples Environmental stewardship Shared value creation Media Financial and operating performance Press releases, interviews, regulatory filings, presentations, publications, mine site visits, meetings, Health and safety performance communications via phone and email, company website, Community and social performance and social media channels Environmental stewardship Government regulations and permitting Mergers, acquisitions and divestments Active participation as members and on boards or other Peers and industry Safe and healthy operations associations leadership assignments, conferences, engagement Responsible business practices through business bodies and industry-wide initiatives, Environmental stewardship meetings and personal communications • Collaborating with peers, via industry forums such as the International Council on Mining and Metals, on sustainability issues and policy positions General knowledge sharing on lessons learned and best practices

**OVERVIEW** 



VOLUNTARY COMMITMENTS



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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:

## **Industry Initiatives**

## International Council on Mining and Metals (ICMM) Sustainable Development Framework

As a founding member, we commit to implementing and reporting on ICMM's 10 Principles for Sustainable Development, which cover corporate governance, environmental stewardship and community engagement.

#### Voluntary Principles on Security and Human Rights (VPSHR)

This global initiative seeks to protect human rights through leading safety and security practices. Signatories include the governments of the United States, the United Kingdom, Norway and the Netherlands, and other industry and NGO participants. Newmont reports on our efforts to implement and promote the principles on a regional basis every year.

## Partnering Against Corruption Initiative (PACI)

Newmont is a founding member of the World Economic Forum's PACI. We do not tolerate bribery or corruption, we require training based on PACI principles for the employee base most likely to encounter bribery or corruption risks, and we adhere to even more stringent U.K. Bribery Act requirements.

#### 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.

#### 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 Global Compact (UNGC)

The United Nations 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 United Nations Global Compact LEAD Program, which promotes adoption of the Blueprint for Corporate Sustainability Leadership.













# United Nations Guiding Principles on Business and Human Rights (the Guiding Principles)

The Guiding Principles – unanimously endorsed by the United Nations Human Rights Council in 2011 – define the duties of states and the responsibilities of companies to ensure that businesses operate with respect for human rights. The corporate responsibility to respect human rights requires a policy commitment, a human rights due diligence process, and a mechanism to provide remedy to those who might be harmed. This report discusses Newmont's human rights performance and its efforts to conduct business activities in a manner consistent with the Guiding Principles.



#### International Network for Acid Prevention (INAP)

Newmont is a member of INAP, which seeks to meet the need for an international body to bring together experience, transfer knowledge and conduct research on ways to address the challenge and reduce the liability associated with acid rock drainage (ARD).



#### The CDP (formerly called the Carbon Disclosure Project)

The CDP works with corporations and shareholders to disclose major corporations' greenhouse gas emissions. Newmont has participated in the CDP's annual questionnaire related to greenhouse gas emissions since 2007 and in its Global Water Report since 2012.



## World Economic Forum (WEF) and its Responsible Mineral Development Initiative (RMDI)

Newmont is an active member of the WEF and has been an active member of the RMDI since it was established in 2010. The RMDI seeks to better understand the challenges of sustainable mineral development and to identify and pilot potential solutions to address these challenges.



#### Global Sullivan Principles of Social Responsibility

Newmont upholds the Sullivan Principles as part of our efforts to protect human rights and promote social justice and economic opportunity.



## **Standards Organizations**

#### International Cyanide Management Code (ICMC)

In 2005, Newmont became one of the first signatories of the ICMC, which aims to improve the safe transport, storage and use of cyanide to protect human health and reduce the potential for environmental harm. Signatories commit to upholding ICMC's principles and standards, commissioning independent audits, and reporting on their performance.



#### Occupational Health and Safety Audit System 18001 (OHSAS)

Newmont's site-based systems align with OHSAS requirements for occupational health and safety management systems.



#### International Organization for Standardization – ISO 14001 and 31000

ISO 14001 is a series of environmental standards that provide a framework for implementing effective controls and a systematic approach to setting and achieving improvement targets. We report on the status of our operations' ISO 14001 standards certification in the Compliance section of this report. Newmont's risk assessment framework is based on ISO 31000.



## AccountAbility's AA1000 Assurance Standard

This standard is built to improve how companies manage, report and continuously improve their sustainability performance.



#### Global Reporting Initiative (GRI)

Our 2015 global sustainability report was compiled in accordance with the GRI's G4 Core option guidelines and independently assured.

**OVERVIEW** 



**ABOUT THIS REPORT** 



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## Scope

Beyond the Mine is an annual report that focuses on Newmont's current operating sites. Data presented covers our performance for the 2015 calendar year, which corresponds to our fiscal year. Where noted, references may be made to historical results. We have published our global sustainability reports on an annual basis since 2003. The latest was published in April 2015.

All financial figures are quoted in United States dollars, unless otherwise noted. References to "Newmont," "the Company," "we" and "our" refer to Newmont Mining Corporation and/or our affiliates, joint ventures and subsidiaries.

#### **Boundaries**

We prepared our 2015 global sustainability report in accordance with the Global Reporting Initiative (GRI) G4 Core option guidelines, including the Mining and Metals Sector Supplement. Bureau Veritas North America Inc. assured this report, and Ernst & Young LLP audited the financial data reported in Newmont's 2015 10-K report.

Unless noted otherwise, this report covers sustainability matters related to the following significant locations of operation:

- Boddington, Kalgoorlie Consolidated Gold Mines (KCGM) and Tanami in Australia;
- Ahafo and Akyem in Ghana;
- Batu Hijau in Indonesia;
- Yanacocha in Peru; and
- The Carlin, Phoenix and Twin Creeks operating complexes in Nevada.

Exploration activities, projects and closed sites are included in the report when they are material and provide context. Due to the reduced personnel and system resources allocated during the exploration and closure stages, the data and results are less comparable to those of operating sites.

Assets divested or acquired during the year, as well as non-managed joint ventures, are not covered in this report. Newmont reports data for KCGM – a joint venture that is 50 percent owned by Newmont and 50 percent owned by Barrick Gold Corporation and managed by KCGM – in all sections except the "Our People" section. Footnotes to this effect are included for greater transparency. With Newmont assuming management oversight of KCGM in mid-2015, we will begin reporting KCGM data for all sections going forward.

Our Yanacocha operation in Peru and our Asia Pacific region publish annual sustainability reports in line with the GRI guidelines. Our Asia Pacific region's report covers our performance in Australia and supports our membership in and signatory commitment to the Minerals Council of Australia. In addition, the Asociacion Los Andes de Cajamarca (ALAC) – Yanacocha's foundation in Peru – and the Newmont Ahafo Development Foundation (NADEF) and Newmont Akyem Development Foundation (NAKDEF) in Ghana provide annual updates on programs that support sustainable development in their respective regions.

## **Restatements**

Ongoing improvements to our data collection systems, processes and quality can result in restatements of previously reported data. Such restatements have been provided in the body of this report and are noted as such in the footnote or corresponding disclosures.

## **Significant Changes in Reporting Parameters**

There were no significant changes in the scope or aspect boundaries in 2015.

## **Additional Information**

More information about Newmont is available on our website. For details on our financial performance and governance structure, please refer to our 2015 10-K report, an annual overview of Newmont's business and financial condition submitted to the U.S. Securities and Exchange Commission.

## **Contact Information**

We welcome feedback on this report or on any other aspect of our sustainability performance. Please complete our survey or send general comments to ricardo.adame@newmont.com or S&ER@newmont.com. For a full list of contacts at Newmont, please visit Contact Us on our website.



# GRI / ICMM / UNGP REPORTING



Home / Overview / GRI / ICMM / UNGP Reporting

As a founding member of the International Council on Mining and Metals (ICMM), Newmont commits to uphold the ICMM's 10 Principles for Sustainable Development and to report in accordance with the Global Reporting Initiative's (GRI) framework, which is recognized as the international standard for sustainability reporting and used by more than 1,100 companies worldwide. This report also reflects our reporting obligations as a member of ICMM and in accordance with our commitments under the Voluntary Principles on Security and Human Rights (VPSHR), the United Nations Global Compact (UNGC) and the Global Sullivan Principles.

This is our first report developed in accordance with the more robust GRI G4 Core option guidelines, which include a greater focus on the key risks and opportunities significant to our business and stakeholders. This report also includes indicators from the GRI Mining and Metals Sector disclosures.

Newmont is also the first mining company to adopt the United Nations Guiding Principles on Business and Human Rights (UNGP) Reporting Framework. The Reporting Framework guides companies on how to report their human rights performance in a meaningful way. Along with publishing policy commitments, companies must identify their most salient human rights risks and the initiatives and programs in place to manage these risks and safeguard human rights. We are working with the five other companies that are early adopters of the Reporting Framework to share lessons learned from the reporting experience and to encourage more companies to participate in the future. Included in this report is more information on:

- Newmont's commitment to respect human rights
- How Newmont determined its most salient human rights risks
- How Newmont manages its most salient human rights risks

We have engaged Bureau Veritas North America Inc. to independently assure our report for inclusivity, completeness, responsiveness and accuracy on material and significant sustainability matters.

## **General Standard Disclosures**

Strategy ar	nd analysis					
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE
G4-1	Statement from the most senior decision-maker of the organization	Overview – Chief Executive's Message Overview – Safety and Sustainability Committee Chairman's Message		2		Yes
G4-2	Description of key impacts, risks, and opportunities	Overview – Our Approach to Sustainability Ethics and Governance – Risk		2,4		Yes
		Management – Approach Ethics and Governance – Risk Management – Performance Ethics and Governance – Supply Chain Stewardship – Approach Ethics and Governance – Human Rights – Approach				
		Our People – Health and Safety – Performance				
		Economic and Social Performance – Value Sharing – Approach Economic and Social Performance – Local Employment and Business Opportunities – Approach Economic and Social Performance – Local Employment and Business Opportunities – Performance Economic and Social Performance – Community Investments – Approach Economic and Social Performance – Indigenous Peoples – Approach				
		Environmental Stewardship – Water – Approach Environmental Stewardship – Water – Future Focus Environmental Stewardship – Energy and Climate Change – Approach Environmental Stewardship – Biodiversity – Approach Environmental Stewardship – Cyanide Management – Approach Environmental Stewardship – Closure and Remediation – Approach				

<b>Organiza</b>	tion profile					
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE
G4-3	Name of the organization	Overview – Our Business				Yes
G4-4	Primary brands, products, and services	Overview – Our Business				Yes
G4-5	Location of the organization's headquarters	Overview – Our Business				Yes
G4-6	Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	Overview – Our Business				Yes
G4-7	Nature of ownership and legal form	Overview – Our Business				Yes
G4-8	Markets served	Overview – Our Business				Yes
G4-9	Scale of the organization	Overview – Our Business				Yes

		Sharing – Performance Data Tables				
G4-10	Employee/workforce details	Our Workplace – Performance	6			Yes
		Economic and Social Performance – Local Employment and Business Opportunities – Performance				
G4-11	Percentage of total employees covered by collective bargaining agreements	Our People – Workforce Rights – Performance	1,3	3	3	Yes
G4-12	Describe the organization's supply chain	Ethics and Governance – Supply Chain Stewardship – Approach				Yes
G4-13	Significant changes during the reporting period regarding the	Overview – Our Business				Yes
	organization's size, structure, ownership, or its supply chain	Ethics and Governance – Supply Chain Stewardship – Performance				
		Economic and Social Performance – Financial and Operating Performance – Performance				
G4-14	Whether and how the precautionary approach or principle is addressed by the organization	Newmont submits to the United Nations Global Compact (UNGC) an annual Communication on Progress, affirming our commitment to operate according to the UNGC's 10 universal principles, including Principle No. 7, which states, "Businesses should support a precautionary approach to environmental challenges."	7	2,4		Yes
		The precautionary approach – which is the process for investigating, addressing and mitigating how our actions may threaten the environment – is embedded in our risk management process as well as our purpose, vision and values.				
		More information on our risk management approach is found in the Overview – Our Approach to Sustainability and the Ethics and Governance – Risk Management sections of this report and in our 2015 10-K report.				
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	Overview – Voluntary Commitments  Ethics and Governance – Human Rights – Approach		10		Yes
G4-16	Memberships of associations and national advocacy organizations	Overview – Voluntary Commitments  Ethics and Governance – Human Rights – Approach				Yes
		Environmental Stewardship – Biodiversity – Approach				

Identified material aspects and boundaries								
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE		
G4-17	Entities included in the organization's consolidated financial statements	Overview – About This Report – Boundaries				Yes		
G4-18	Process for defining report content	Overview – Our Approach to Sustainability – Our Priorities				Yes		
G4-19	Priorities identified	Overview – Our Approach to Sustainability – Our Priorities				Yes		
G4-20	Boundaries – Internal	See GRI Index – Specific Standard Disclosures.				Yes		
G4-21	Boundaries – External	See GRI Index – Specific Standard Disclosures.				Yes		
G4-22	Effect of any restatement of information in previous reports	Overview – About This Report  See footnotes throughout the report.				Yes		
G4-23	Significant changes from previous reporting in scope of priorities	Overview – About This Report – Significant Changes in Reporting Parameters				Yes		

<b>Stakeholde</b>	r engagement					
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE
G4-24	List of stakeholder groups	Overview – Stakeholder Engagement		10		Yes
G4-25	Basis for identifying and selecting stakeholders	Overview – Stakeholder Engagement		10		Yes
G4-26	Approach to stakeholder engagement	Overview – Stakeholder Engagement  Ethics and Governance – Human Rights – Approach  Economic and Social Performance – Community Relationships – Approach Economic and Social Performance – Indigenous Peoples – Approach Economic and Social Performance – Indigenous Peoples – Performance – Indigenous Peoples – Performance Economic and Social Performance – Resettlement and Land Use – Approach		10		Yes
G4-27	Topics raised through stakeholder engagement and response	Overview – Stakeholder Engagement  Ethics and Governance – Leadership – Board of Directors  Economic and Social Performance – Community Relationships – Approach Economic and Social Performance – Indigenous Peoples – Approach Economic and Social Performance – Indigenous Peoples – Performance – Indigenous Peoples – Performance		10		Yes

Report profile						
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE
G4-28	Reporting period	Overview – About This Report – Scope		10		Yes
G4-29	Date of most recent report	Overview – About This Report – Scope				Yes

G4-30	Reporting cycle	Overview – About This Report – Scope	10	Yes
G4-31	Contact	Overview – About This Report – Contact Information	10	Yes
G4-32	In accordance option	Performance – GRI Index/ICMM Framework		Yes
G4-33	External assurance policy	Performance – Report Assurance		Yes

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE
G4-34	Governance structure	Ethics and Governance – Leadership – Board of Directors Ethics and Governance – Leadership – Executive Leaders		1,2		Yes
G4-35	Process for delegating authority for economic, social and environmental topics	Ethics and Governance – Leadership – Executive Leaders		1,2	7	Yes
G4-36	Executive level positions responsible for economic, social and environmental topics	Ethics and Governance – Leadership – Executive Leaders		1,2		Yes
G4-37	Process for consultation between stakeholders and highest governance body on economic, social and environmental topics	Ethics and Governance – Leadership – Board of Directors Proxy Statement		1,2,10		Yes
G4-38	Composition of the highest governance body	Ethics and Governance – Leadership – Board of Directors Proxy Statement		1,2		Yes
G4-39	Indicate whether the Chair of the highest governance body is also an executive officer	Ethics and Governance – Leadership – Board of Directors  Proxy Statement		1,2		Yes
G4-40	Nomination and selection process for the highest governance body and its committees	Ethics and Governance – Leadership – Board of Directors  Proxy Statement  Corporate Governance & Nominating Committee Charter		1,2		Yes
G4-41	Process for the highest governance body to ensure conflicts of interest are avoided and managed	Ethics and Governance – Leadership – Board of Directors Ethics and Governance – Ethical Conduct – Approach Ethics and Governance – Risk Management – Approach Proxy Statement		1,2		Yes
G4-42	Highest governance body's and senior executives' roles in the development, approval and updating the organization's purpose, value or mission statements, strategies, policies, and goals	Ethics and Governance – Leadership – Board of Directors		1,2		Yes
G4-43	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, social and environmental topics	Ethics and Governance – Leadership – Board of Directors		1,2		Yes
G4-44	Process for evaluation of the highest governance body's performance	Ethics and Governance – Leadership – Board of Directors Ethics and Governance – Leadership – Executive Leaders		1,2		Yes

G4-45	Highest governance body's role in the identification of economic, social and environmental impacts, risks and opportunities	Ethics and Governance – Leadership – Board of Directors Ethics and Governance – Leadership – Executive Leaders	1	,2	Yes
G4-46	Highest governance body's role in reviewing the effectivess of the organization's risk management process for environmental, social and economic topics	Ethics and Governance – Leadership – Board of Directors	1,:	2,4	Yes
G4-47	Frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	Ethics and Governance – Leadership – Board of Directors	1,	2,4	Yes
G4-48	Highest committee or position that formally reviews and approves the organization's sustainability report	Ethics and Governance – Leadership – Board of Directors	1	,2	Yes
G4-49	Process for communicating critical concerns to the highest governance body	Ethics and Governance – Leadership – Executive Leaders Proxy Statement	1,2	2,10	Yes
G4-50	Nature and total number of critical concerns that were communicated to the highest governance body and the mechanisms used to address and resolve them	We do not publicly disclose this information due to the confidential and sensitive nature of these concerns. In addition to a stakeholder feedback mechanism that all of our operations and significant projects have implemented, our proxy includes information on how to contact members of the Board of Directors. The Safety and Sustainability Committee of our Board of Directors reviews feedback on a quarterly basis. Feedback is rated on a scale of seriousness and critical concerns are flagged.	10 1,2	2,10	Yes
G4-51	Remuneration policies for the highest governance body and senior executives	Ethics and Governance – Leadership – Executive Leaders  Annual Proxy Statement	1	,2	Yes
G4-52	Process for determining remuneration	Ethics and Governance – Leadership – Executive Leaders Annual Proxy Statement	1	,2	Yes
G4-53	How stakeholder views are incorporated in remuneration	Ethics and Governance – Leadership – Executive Leaders  Annual Proxy Statement	1	0	Yes
G4-54	Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operation to the median annual total compensation for all employees	While we are not prepared to report against G4-54 this year, we are working to report against this disclosure in the future in alignment with a standardized framework.	6		Yes
G4-55	Ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees	While we are not prepared to report against G4-55 this year, we are working to report against this disclosure in the future in alignment with a standardized framework.	6		Yes

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE
G4-56	Organization's values, principles, standards and norms of behavior	Overview – Our Business Overview – Our Approach to Sustainability – Sustainability Framework	10	1,2		Yes
		Ethics and Governance – Ethical Conduct – Approach Ethics and Governance – Human Rights – Approach				
		Our People – Our Workplace – Approach Our People – Workforce Rights – Approach Our People – Health and Safety – Approach				
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to	Ethics and Governence – Ethical Conduct – Case Study	10	1,2		Yes
	organizational integrity	Newmont Ethics Solutions Tool				
G4-58	Procedures for reporting concerns about unethical or unlawful behavior	Ethics and Governence – Ethical Conduct – Case Study Ethics and Governance – Ethical Conduct – Approach	10	1,2		Yes
		Newmont Ethics Solutions Tool				

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## **Economic Performance**

<b>Material</b>	aspect: Economi	c performance					
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 4, 5, 6, 7, 8
G4-DMA	Disclosure of management approach	Overview – Our Business  Economic and Social Performance – Financial and Operating Performance – Approach Economic and Social Performance – Financial and Operating Performance – Performance Economic and Social Performance – Financial and Operating Performance – Future Focus Economic and Social Performance – Value Sharing – Future Focus Economic and Social Performance – Community Investments – Approach				Yes	
G4-EC1	Direct economic value generated and distributed	Economic and Social Performance – Financial and Operating Performance – Performance Economic and Social Performance – Value Sharing – Performance Economic and Social Performance – Community Investments – Performance				Yes	
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Environmental Stewardship – Energy and Climate Change – Approach	7	6		Yes	
G4-EC3	Coverage of the organization's defined benefit plan obligations	2015 10-K report				Yes	
G4-EC4	Financial assistance received from government	Economic and Social Performance – Value Sharing – Performance				Yes	

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1,2,3,6
G4-DMA	Disclosure of management approach	Economic and Social Performance – Local Employment and Business Opportunities – Approach Economic and Social Performance – Local Employment and Business Opportunities – Future Focus  Our People – Our Workplace – Approach Our People – Our Workplace – Future Focus		9		Yes	
G4-EC5	Ratios of standard entry-level wage by gender	Economic and Social Performance – Local Employment and Business Opportunities – Performance	6			Yes	

	compared to local minimum wage at significant locations of operation					
G4-EC6	Proportion of senior management	Our People – Our Workplace – Performance	6	9	Yes	
	hired from the local community at significant locations of operation	Economic and Social Performance – Local Employment and Business Opportunities – Performance				

<b>Material</b>	aspect: Indirect e	economic impacts					
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1,2,3,5
G4-DMA	Disclosure of management approach	Economic and Social Performance – Community Investments – Approach Economic and Social Performance – Community Investments – Performance Economic and Social Performance – Community Investments – Future Focus Economic and Social Performance – Local Employment and Business Opportunities – Approach		9		Yes	
G4-EC7	Development and impact of infrastructure investments and services supported	Economic and Social Performance – Community Investments – Performance		9		Yes	
G4-EC8	Significant indirect economic impacts, including the extent of impacts	Economic and Social Performance – Local Employment and Business Opportunities – Performance Economic and Social Performance – Community Investments – Performance		9		Yes	

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							2,3,5,6
G4-DMA	Disclosure of management approach	Overview – Our Approach to Sustainability – Targets  Ethics and Governance – Supply Chain Stewardship – Approach Ethics and Governance – Supply Chain Stewardship – Performance  Economic and Social Performance – Local Employment and Business Opportunities – Approach		9		Yes	
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	Economic and Social Performance – Local Employment and Business Opportunities – Performance		9		Yes	

#### Impact boundaries legend:

- Employees
   Suppliers/contractors
   Governments and regulatory bodies
   Shareholders, investors and analysts
   Host communities
   Non-governmental organizations (NGO), multinational organizations and civil society
   Media
   Peers and industry associations

## **Environmental Performance**

₩ Material a	aspect: Materials						
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							2, 3, 5
G4-DMA	Disclosure of management approach	Environmental Stewardship – Cyanide Management – Approach Environmental Stewardship – Cyanide Management – Performance Environmental Stewardship – Cyanide Management – Future Focus Environmental Stewardship – Waste Management – Approach Environmental Stewardship – Waste Management – Performance Environmental Stewardship – Waste Management – Future Focus		6	5	Yes	
G4-EN1	Materials used by weight or volume	Environmental Stewardship – Cyanide Management – Performance Environmental Stewardship – Data Appendix – Materials Usage	7,8	6	5	Yes	

GENERAL STANDARD	STANDARD DISCLOSURE		GLOBAL		SULLIVAN	EXTERNAL	IMPACT
DISCLOSURES	TITLE	LOCATION/DESCRIPTION	COMPACT	ICMM	PRINCIPLES	ASSURANCE	BOUNDARIES
							1, 2, 3, 4, 5, 6, 7, 8
G4-DMA	Disclosure of management approach	Environmental Stewardship – Energy and Climate Change – Approach Environmental Stewardship – Energy and Climate Change – Performance Environmental Stewardship – Energy and Climate Change – Future Focus		6	5	Yes	
G4-EN3	Energy consumption within the organization	Environmental Stewardship – Energy and Climate Change – Performance Environmental Stewardship – Data Appendix – Energy and Climate Change	7,8	6	5	Yes	
G4-EN4	Energy consumption outside of the organization	Environmental Stewardship – Energy and Climate Change – Performance Environmental Stewardship – Data Appendix – Energy and Climate Change	8	6	5	Yes	
G4-EN5	Energy intensity	Environmental Stewardship – Energy and Climate Change – Performance	8	6	5	Yes	
G4-EN6	Reduction of energy consumption	Environmental Stewardship – Energy and Climate Change – Performance	8,9	6	5	Yes	
G4-EN7	Reductions in energy requirements of products and services	Environmental Stewardship – Energy and Climate Change – Performance	8,9	6	5	Yes	

<b>Material</b>	aspect: Water						
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 4, 5, 6, 7, 8
G4-DMA	Disclosure of management approach	Environmental Stewardship – Water – Approach Environmental Stewardship – Water – Performance Environmental Stewardship – Water – Future Focus		6	5	Yes	
G4-EN8	Total water withdrawal by source	Environmental Stewardship – Water – Performance Environmental Stewardship – Data Appendix – Water	7,8	6	5	Yes	
G4-EN9	Water sources significantly affected by withdrawal of water	Environmental Stewardship – Water – Performance	8	6	5	Yes	
G4-EN10	Percentage and total volume of water recycled and reused	Environmental Stewardship – Water – Performance Environmental Stewardship – Data Appendix – Water	8		5	Yes	

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 4, 5, 6, 7, 8
G4-DMA	Disclosure of management approach	Environmental Stewardship – Biodiversity – Approach Environmental Stewardship – Biodiversity – Performance Environmental Stewardship – Biodiversity – Future Focus		6,7	5	Yes	
G4-EN11	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	Environmental Stewardship – Biodiversity – Approach	8	2,7	5	Yes	
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	Environmental Stewardship – Biodiversity – Approach Environmental Stewardship – Biodiversity – Performance	8	7	5	Yes	
G4-EN13	Habitats protected or restored	Environmental Stewardship – Biodiversity – Performance	8	6,7	5	Yes	
G4-EN14	Total number	Environmental Stewardship –	8		5	Yes	

	of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	Biodiversity – Performance Environmental Stewardship – Data Appendix – Biodiversity					
MM1	Amount of land disturbed or rehabilitated	Environmental Stewardship – Biodiversity – Performance Environmental Stewardship – Data Appendix – Amount of Land Disturbed or Rehabilitated	8	2,6,7	5	Yes	
MM2	The number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number and percentage of those sites with a plan in place	Environmental Stewardship – Data Appendix – Biodiversity Impacts	7,8	2,6,7	5	Yes	

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 4, 5, 6, 7, 8
G4-DMA	Disclosure of management approach	Environmental Stewardship – Energy and Climate Change – Approach Environmental Stewardship – Energy and Climate Change – Performance Environmental Stewardship – Energy and Climate Change – Future Focus Environmental Stewardship – Air Quality – Approach Environmental Stewardship – Air Quality – Future Focus Our People – Health and Safety – Approach		6	5	Yes	
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	Environmental Stewardship – Energy and Climate Change – Approach Environmental Stewardship – Energy and Climate Change – Performance Environmental Stewardship – Data Appendix – Greenhouse Gas Emissions	7,8	6		Yes	
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Environmental Stewardship – Energy and Climate Change – Approach Environmental Stewardship – Energy and Climate Change – Performance Environmental Stewardship – Data Appendix – Greenhouse Gas Emissions	7,8			Yes	
G4-EN18	Greenhouse gas (GHG) emissions intensity	Environmental Stewardship – Energy and Climate Change – Performance	8		5	Yes	
G4-EN19	Reduction of greenhouse gas (GHG) emissions	Environmental Stewardship – Energy and Climate Change – Performance Environmental Stewardship – Data Appendix – Energy and Climate Change	7,8,9	6	5	Yes	
G4-EN20	Emissions of ozone-depleting substances	Environmental Stewardship – Energy and Climate Change – Performance	7,8	6	5	Yes	

	(ODS)							
G4-EN21	NOx, SOx, and other significant air emissions	Environmental Stewardship – Air Quality – Performance Environmental Stewardship – Data Appendix – Air Quality	7,8	6	5	Yes		

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 4, 5, 6, 7, 8
G4-DMA	Disclosure of management approach	Environmental Stewardship – Water – Approach Environmental Stewardship – Water – Performance Environmental Stewardship – Water – Future Focus Environmental Stewardship – Waste Management – Approach Environmental Stewardship – Waste Management – Performance Environmental Stewardship – Waste Management – Future Focus Environmental Stewardship – Compliance – Approach Environmental Stewardship – Compliance – Performance Environmental Stewardship – Compliance – Performance Environmental Stewardship – Compliance – Future Focus		6		Yes	
G4-EN22	Total water discharge by quality and destination	Environmental Stewardship – Water – Performance Environmental Stewardship – Data Appendix – Water Discharges	8	6		Yes	
G4-EN23	Total weight of waste by type and disposal method	Environmental Stewardship – Waste Management – Performance Environmental Stewardship – Data Appendix – Waste Produced	8	6		Yes	
G4-EN24	Total number and volume of significant spills	Environmental Stewardship – Data Appendix – Discharges that Exceed Metals and/or Other Parameters	8	6		Yes	
MM3	Total amount of overburden, rock, tailings and sludges and their associated risks	Environmental Stewardship – Waste Management – Performance Environmental Stewardship – Data Appendix – Waste Produced		7		Yes	
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention (2) Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	Environmental Stewardship – Waste Management – Performance Environmental Stewardship – Data Appendix – Materials Usage  We do not import any hazardous wastes.	8	6		Yes	
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by	No reported sites have discharges of water and/or runoff that have significantly affected water bodies or related habitat with protected or key biodiversity value.	8	6,7		Yes	

the organization's discharges of water and runoff

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 7, 8
G4-DMA	Disclosure of management approach	Environmental Stewardship – Compliance – Approach Environmental Stewardship – Compliance – Performance Environmental Stewardship – Compliance – Future Focus		6	6	Yes	
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non- compliance with environmental laws and regulations	Environmental Stewardship – Compliance – Performance	8	6	6	Yes	

<b>H</b> Material	aspect: Transport						
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 5, 8
G4-DMA	Disclosure of management approach	Environmental Stewardship – Cyanide Management – Approach Environmental Stewardship – Cyanide Management – Performance Environmental Stewardship – Cyanide Management – Future Focus		6,9	6	Yes	
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	Environmental Stewardship – Cyanide Management – Performance	8	6	6	Yes	

∰ Material aspect: Supplier environmental assessment								
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES	
							2, 3, 5, 6, 8	
G4-DMA	Disclosure of management approach	Ethics and Governance – Supply Chain Stewardship – Approach Ethics and Governance – Supply Chain Stewardship – Performance Ethics and Governance – Supply Chain				Yes		

		Stewardship – Future Focus	
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	Ethics and Governance – Supply Chain Stewardship – Performance	Yes

<b>Material</b>	aspect: Environm	ental grievance mechanisms					
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 5, 6, 7
G4-DMA	Disclosure of management approach	Ethics and Governance – Supply Chain Stewardship – Approach Ethics and Governance – Supply Chain Stewardship – Performance		6,9	6	Yes	
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	Economic and Social Performance – Community Relationships – Performance  We use 14 specific categories and one "Other" category for the types of complaints that are relevant to our stakeholders. Rather than a single, broad "Environment" category, we have blast event, vibration, noise, air and water categories, which we believe are more meaningful to understanding and addressing stakeholder concerns.	8	6	6	Yes	

#### Impact boundaries legend:

- Employees
   Suppliers/contractors
   Governments and regulatory bodies
   Shareholders, investors and analysts
   Host communities
   Non-governmental organizations (NGO), multinational organizations and civil society
   Media
   Peers and industry associations

## **Social Performance: Labor Practices**

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 3, 5, 8
G4-DMA	Disclosure of management approach	Our People – Our Workplace – Approach Our People – Our Workplace – Performance Our People – Our Workplace – Future Focus			3	Yes	
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Our People – Our Workplace – Performance	6			Yes	
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Our People – Our Workplace – Performance ("Benefits by Major Operations" sidebar)	6		3	Yes	

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 3, 5, 8
G4-DMA	Disclosure of management approach	Our People – Our Workplace – Approach Our People – Our Workplace – Performance Our People – Our Workplace – Future Focus			5	Yes	
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	Our People – Workforce Rights – Approach	3	3	5	Yes	
MM4	Number of strikes and lock-outs exceeding one week's duration, by country	Our People – Workforce Rights – Performance	3	3	2	Yes	

	Mater	ial aspect: Occupational health and safety
GENI	FRAI	STANDARD

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 5, 7, 8
G4-DMA	Disclosure of management approach	Our People – Health and Safety – Approach Our People – Health and Safety – Performance Our People – Health and Safety – Future Focus		5	5	Yes	
G4-LA5	Percentage of total workforce represented in formal joint management—worker health and safety committees that help monitor and advise on occupational health and safety programs	Our People – Health and Safety – Approach  While Newmont does not have formal joint management-worker committees related to safety, we believe our approach to creating a culture of zero harm in the workplace addresses this disclosure's relevance.		5	5	Yes	
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Our People – Health and Safety – Performance	1	5	5	Yes	
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	Our People – Health and Safety – Performance	1	5	5	Yes	
G4-LA8	Health and safety topics covered in formal agreements with trade unions	Our People – Health and Safety – Approach	3	5	5	Yes	

<b>Material</b>	aspect: Training a	nd education					
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 3, 5, 8
G4-DMA	Disclosure of management approach	Our People – Our Workplace – Approach Our People – Our Workplace – Performance Our People – Our Workplace – Future Focus			2	Yes	
G4-LA9	Average hours of training per year per employee by gender, and by employee category	Our People – Our Workplace – Performance	6	5		Yes	
G4-LA10	Programs for skills	Our People – Our Workplace – Performance	6	3	2	Yes	

	management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Our People – Our Workplace – Performance ("Benefits by Major Operations" sidebar)				
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Our People – Our Workplace – Performance	6	3	Yes	

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 3, 5, 8
G4-DMA	Disclosure of management approach	Ethics and Governance – Leadership – Board of Directors				Yes	
		Our People – Our Workplace – Approach Our People – Our Workplace – Performance Our People – Our Workplace – Future Focus					
G4-LA12	Composition of governance bodies and breakdown of employees per employee category	Our People – Our Workplace – Performance	6			Yes	

GENERAL	STANDARD						
STANDARD DISCLOSURES	DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 3, 5, 8
G4-DMA	Disclosure of management approach	Our People – Our Workplace – Approach Our People – Our Workplace – Performance Our People – Our Workplace – Future Focus		3		Yes	
G4-LA13	Ratio of basic salary and remuneration of women to men	Our People – Our Workplace – Performance	1,6			Yes	

<b>Material</b>	aspect: Supplier a	ssessment for labor practices					
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							2, 3, 5, 6, 8
G4-DMA	Disclosure of management approach	Ethics and Governance – Supply Chain Stewardship – Approach Ethics and Governance – Supply Chain Stewardship – Performance Ethics and Governance – Supply Chain Stewardship – Future Focus				Yes	
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	Ethics and Governance – Supply Chain Stewardship – Performance				Yes	

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 5, 6
G4-DMA	Disclosure of management approach	Ethics and Governance – Leadership – Executive Leaders Ethics and Governance – Human Rights – Approach Ethics and Governance – Human Rights – Performance Ethics and Governance – Human Rights – Future Focus		9	6	Yes	
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	Economic and Social Performance – Community Relationships – Performance  We use 14 specific categories and one "Other" category for the types of complaints that are relevant to our stakeholders. Rather than a single, broad "Labor" category, we have compensation, workforce behavior and employment categories, which we believe are more meaningful in understanding and addressing stakeholder concerns.	6	3	6	Yes	

#### Impact boundaries legend:

- 1. Employees

- Employees
   Suppliers/contractors
   Governments and regulatory bodies
   Shareholders, investors and analysts
   Host communities
   Non-governmental organizations (NGO), multinational organizations and civil society
   Media
   Peers and industry associations

## **Social Performance: Human Rights**

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							3, 4, 5, 6, 7
G4-DMA	Disclosure of management approach	Ethics and Governance – Human Rights – Approach Ethics and Governance – Human Rights – Performance Ethics and Governance – Human Rights – Future Focus		3	1	Yes	
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Ethics and Governance – Human Rights – Performance	1,2,3,4,5,6	2	1	Yes	
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations	This information is currently unavailable, but we will continue to evaluate our ability to report against this indicator in the future.	1,2,3,4,5,6	3	1	Yes	

CENIEDAL	CTANDADD						
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 4, 6
G4-DMA	Disclosure of management approach	Ethics and Governance – Human Rights – Approach Ethics and Governance – Human Rights – Performance Ethics and Governance – Human Rights – Future Focus		3	1,2	Yes	
G4-HR3	Total number of incidents of discrimination and corrective actions taken	Ethics and Governance – Human Rights – Performance	1,2	3	1,2	Yes	

Material d	aspect: Freedom c	of association and collective bargaining					
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 4, 6
G4-DMA	Disclosure of management approach	Our People – Workforce Rights – Approach		3	3	Yes	
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	Our People – Workforce Rights – Approach Our People – Workforce Rights – Performance	1,2,3	3	3	Yes	

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 5, 6
G4-DMA	Disclosure of management approach	Our People – Workforce Rights – Approach				Yes	
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	Our People – Workforce Rights – Performance	1,2	3		Yes	

		compulsory labor					
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 4, 5, 6
G4-DMA	Disclosure of management approach	Our People – Workforce Rights – Approach				Yes	
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures taken to contribute to the elimination of all forms of forced or compulsory labor	Our People – Workforce Rights – Performance	1,2	3		Yes	

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 5, 6
G4-DMA	Disclosure of management approach	Ethics and Governance – Human Rights – Approach Ethics and Governance – Human Rights – Performance Ethics and Governance – Human Rights – Future Focus				Yes	
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	Ethics and Governance – Human Rights – Performance	1,2	3		Yes	

GENERAL STANDARD	STANDARD DISCLOSURE		GLOBAL		SULLIVAN	EXTERNAL	IMPACT
DISCLOSURES	TITLE	LOCATION/DESCRIPTION	COMPACT	ICMM	PRINCIPLES	ASSURANCE	BOUNDARIES
							1, 2, 3, 4, 5, 6
G4-DMA	Disclosure of management approach	Ethics and Governance – Human Rights – Approach Ethics and Governance – Human Rights – Performance			6	Yes	
		Economic and Social Performance – Indigenous Peoples – Approach Economic and Social Performance – Indigenous Peoples – Performance					
G4-HR8	Total number of incidents of violations involving rights	Ethics and Governance – Human Rights – Performance	1,2	3	6	Yes	

	of indigenous peoples and actions taken						
MM5	Total number of operations taking place in or adjacent to indigenous peoples' territories, and number and percentage of operations or sites where there are formal agreements with indigenous peoples' communities	Economic and Social Performance – Indigenous Peoples – Future Focus	1,2	3,10	6	Yes	

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 4, 5, 6
G4-DMA	Disclosure of management approach	Ethics and Governance – Human Rights – Approach Ethics and Governance – Human Rights – Performance Ethics and Governance – Human Rights – Future Focus				Yes	
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	Ethics and Governance – Human Rights – Performance	1,2	3		Yes	

<b>H</b> Material	aspect: Supplier h	uman rights assessment					
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							2, 3, 6
G4-DMA	Disclosure of management approach	Ethics and Governance – Supply Chain Stewardship – Approach Ethics and Governance – Supply Chain Stewardship – Performance Ethics and Governance – Supply Chain Stewardship – Future Focus				Yes	
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	Ethics and Governance – Supply Chain Stewardship – Performance				Yes	

<b>Material</b>	aspect: Human r	ights grievance mechanisms					
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 4, 5, 6, 8

G4-DMA	Disclosure of management approach	Ethics and Governance – Human Rights – Approach Ethics and Governance – Human Rights – Performance Ethics and Governance – Human Rights – Future Focus			6	Yes	
		Economic and Social Performance – Community Relationships – Approach Economic and Social Performance – Community Relationships – Performance Economic and Social Performance – Community Relationships – Future Focus					
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	Ethics and Governance – Human Rights – Performance Economic and Social Performance – Community Relationships – Performance	1,2	3,9	6	Yes	

#### Impact boundaries legend:

- Employees
   Suppliers/contractors
   Governments and regulatory bodies
   Shareholders, investors and analysts
   Host communities
   Non-governmental organizations (NGO), multinational organizations and civil society
   Media
   Peors and industry associations
- 8. Peers and industry associations

## **Social Performance: Society**

<b>Material</b>	aspect: Local co	mmunities					
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 5, 6, 7, 8
G4-DMA	Disclosure of management approach	Economic and Social Performance – Community Relationships – Approach Economic and Social Performance – Indigenous Peoples – Approach Economic and Social Performance – Indigenous Peoples – Performance Economic and Social Performance – Indigenous Peoples – Future Focus		3,9	1,7	Yes	
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Economic and Social Performance – Community Relationships – Performance	1	9	1,7	Yes	
G4-SO2	Operations with significant actual or potential negative impacts on local communities	Economic and Social Performance – Community Relationships – Approach	1		1,7	Yes	
MM6	Number and description of significant disputes relating to land use, customary rights of local communities and indigenous peoples	Economic and Social Performance – Community Relationships – Performance Economic and Social Performance – Indigenous Peoples – Performance Economic and Social Performance – Indigenous Peoples – Future Focus  Ethics and Governance – Human Rights – Performance	1	10		Yes	
MM7	The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and indigenous peoples, and the outcomes	Ethics and Governance – Human Rights – Performance  Economic and Social Performance – Community Relationships – Performance	1	9,10		Yes	

<b>Material</b>	aspect: Artisanal	and small-scale mining					
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 5, 6, 8
G4-DMA	Disclosure of management	Economic and Social Performance – Resettlement and Land Use – Approach				Yes	

	approach				
MM8	Number and percentage of company operating sites where artisanal and small-scale mining (ASM) takes place on, or adjacent to, the site; the associated risks and the actions taken to manage and mitigate these risks	Economic and Social Performance – Resettlement and Land Use – Approach	7	Yes	

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							3, 5, 6, 7, 8
G4-DMA	Disclosure of management approach	Economic and Social Performance – Resettlement and Land Use – Approach			6	Yes	
MM9	Sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process	Economic and Social Performance – Resettlement and Land Use – Performance	1	3,10	6	Yes	

<b>M</b> aterial	aspect: Closure p	lanning					
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 5, 6, 8
G4-DMA	Disclosure of management approach	Environmental Stewardship – Closure and Reclamation – Approach				Yes	
MM10	Number and percentage of operations with closure plans	Environmental Stewardship – Closure and Reclamation – Approach Environmental Stewardship – Closure and Reclamation – Performance Environmental Stewardship – Data Appendix – Closure and Reclamation	7	6,9		Yes	

<b>Material</b>	aspect: Anti-corru	ıption					
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 4, 5, 6
G4-DMA	Disclosure of management approach	Ethics and Governance – Ethical Conduct – Approach Ethics and Governance – Ethical Conduct – Performance Ethics and Governance – Ethical Conduct – Future Focus		1	6	Yes	

G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	Ethics and Governance – Ethical Conduct – Performance	10	1	6	Yes	
G4-SO4	Communication and training on anti-corruption policies and procedures	Ethics and Governance – Ethical Conduct – Performance	10	1,2	6	Yes	

<b>Material</b>	aspect: Public policy						
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 3, 4, 5, 6, 7, 8
G4-DMA	Disclosure of management approach	Ethics and Governance – Ethical Conduct – Approach Ethics and Governance – Ethical Conduct – Performance Ethics and Governance – Ethical Conduct – Future Focus				Yes	
G4-SO6	Total value of political contributions by country and recipient/beneficiary	Ethics and Governance – Ethical Conduct – Performance	10	1		Yes	

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 3, 4, 5, 7
G4-DMA	Disclosure of management approach	Ethics and Governance – Ethical Conduct – Approach Ethics and Governance – Ethical Conduct – Performance Ethics and Governance – Risk Management – Case Study Ethics and Governance – Human Rights – Performance			7	Yes	
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non- compliance with laws and regulations	Environmental Stewardship – Compliance – Performance	10	4	7	Yes	

<b>H</b> Material	aspect: Supplier a	assessment for impacts on society					
GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							2, 3, 6
G4-DMA	Disclosure of management approach	Ethics and Governance – Supply Chain Stewardship – Approach Ethics and Governance – Supply Chain Stewardship – Performance				Yes	

		Ethics and Governance – Supply Chain Stewardship – Future Focus	
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	Ethics and Governance – Supply Chain Stewardship – Performance	Yes

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							1, 2, 5, 6
G4-DMA	Disclosure of management approach	Economic and Social Performance – Community Relationships – Approach Economic and Social Performance – Community Relationships – Performance Economic and Social Performance – Community Relationships – Future Focus		9	6	Yes	
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	Economic and Social Performance – Community Relationships – Performance  We use 14 specific categories and one "Other" category for the types of complaints that are relevant to our stakeholders. Rather than a single, broad "Society" category, we have noise, community investment and cultural/heritage sites categories, which we believe are more meaningful to understanding and addressing stakeholder concerns.		10	6	Yes	

#### Impact boundaries legend:

- Employees
   Suppliers/contractors
   Governments and regulatory bodies
   Shareholders, investors and analysts
   Host communities
   Non-governmental organizations (NGO), multinational organizations and civil society
   Media
   Peers and industry associations
- 8. Peers and industry associations

## **Social Performance: Product Responsibility**

GENERAL STANDARD DISCLOSURES	STANDARD DISCLOSURE TITLE	LOCATION/DESCRIPTION	GLOBAL COMPACT	ICMM	SULLIVAN PRINCIPLES	EXTERNAL ASSURANCE	IMPACT BOUNDARIES
							2, 3, 5, 7, 8
G4-DMA	Disclosure of management approach	Ethics and Governance – Supply Chain Stewardship – Approach Ethics and Governance – Supply Chain Stewardship – Performance Ethics and Governance – Supply Chain Stewardship – Future Focus	8,9	2,8		Yes	

#### Impact boundaries legend:

- Employees
   Suppliers/contractors
   Governments and regulatory bodies
   Shareholders, investors and analysts
- 5. Host communities
- 6. Non-governmental organizations (NGO), multinational organizations and civil society 7. Media
- 8. Peers and industry associations



## **REPORT ASSURANCE**



Home / Overview / Report Assurance

Bureau Veritas North America Inc. undertook the assurance for our 2015 report. The scope for the report's assurance includes AccountAbility's AA1000 Assurance Standard, the Global Reporting Initiative's (GRI) G4 "in accordance" Core option and the International Council on Mining and Metals (ICMM) Assurance Procedure, the latter of which checks the following:

- Alignment of the member company's sustainability policies to ICMM's 10 Sustainable Development Principles and any mandatory requirements set out in ICMM Position Statements;
- The company's material sustainable development risks and opportunities based on its own review of the business and the views and expectations of its stakeholders;
- The existence and implementation status of systems and approaches the company is using to manage the identified material sustainable development risks and opportunities;
- The company's reported performance during the given reporting period for a selection of identified material sustainable development risks and opportunities; and
- The company's self-declared application level of the GRI's G4 Core option.

Bureau Veritas North America Inc. provides an Assurance Statement, which is published in our annual global sustainability report. The organization also provides an extensive internal report detailing observations, findings and opportunities for improvement based on interviews with a range of our stakeholders, as well as visits to our operating sites.



# ETHICS AND GOVERNANCE

Our governance programs and systems guide our efforts to demonstrate professional integrity, comply with applicable laws and regulations, and manage risk effectively. Our employees bring our commitments to life through their daily actions.

CASE STUDIES →



ALL SUPPLIERS COMPLY WITH STRICT SOURCING STANDARDS. →

#### LEARN MORE



Leadership



Ethical Conduct



Risk Management



Supply Chain Stewardship



Human Rights



FTHICS AND GOVERNANCE

## **LEADERSHIP**



Home / Ethics and Governance / Leadership

Strong governance helps mitigate the threats and capitalize on the opportunities facing our business. Delivering our sustainability commitments requires robust policies and systems, clear accountabilities, and compensation practices aligned with sustainability performance – and benefits from strong oversight by our Board of Directors.

Our executive leadership team, under the direction of our Board of Directors, manages Newmont's business and affairs, including our sustainability commitments.

#### **Board of Directors**

At all times, members of Newmont's Board of Directors (the "Board") maintain a sense of responsibility to our shareholders, customers, employees, suppliers and the communities in which we operate. Our Board's mission is to ensure Newmont's long-term financial strength and to create enduring value for shareholders, employees and other stakeholders. The Board also plays a critical role in assessing major risks; ensuring high standards of ethical business conduct and compliance with applicable laws and regulations; and advising and approving the sustainability and overall business strategies.

Newmont's Board comprises 10 directors, including our President and Chief Executive Officer. The other nine directors – including Board Chair Vincent Calarco and Vice Chair Noreen Doyle – meet the criteria for independence set out by the New York Stock Exchange, the U.S. Securities and Exchange Commission and any applicable laws and regulations.

To ensure a diversity of viewpoints and experience, Newmont's Board represents a broad range of qualifications and interests. Among all members of our Board, 50 percent are diverse from a gender and ethnicity standpoint. With three female directors, our Board is among the top 20 percent of Fortune 500 companies for representation of women. On an annual basis, the full Board conducts self-evaluations and peer reviews and each committee performs annual evaluations to determine whether it is fulfilling its purpose and responsibilities and functioning effectively.

Four Board committees provide oversight and guidance in key areas – Safety and Sustainability, Audit, Leadership Development and Compensation and Corporate Governance and Nominating – and each has a written charter defining members' roles and responsibilities.

The Safety and Sustainability Committee is charged with advancing Newmont's efforts to provide a healthy and safe work environment, operate a sustainable business and ensure that environmental, social and geopolitical risks are managed effectively. This Committee is chaired by Joseph Carrabba and includes Jane Nelson and Gregory Boyce.

In 2015, the Safety and Sustainability Committee members met four times to consider a number of matters related to sustainability issues, risks, audits and performance including detailed updates on health and safety, closure and reclamation, security and human rights, energy and climate change, and public targets. Each meeting also included an in-depth review on one of our five regions. The Committee also reviewed and approved Newmont's annual sustainability report.

Newmont's President and Chief Executive Officer visits each region at least once during the year. Independent members of the Board also often participate in site visits to observe and assess implementation of our policies and standards on the ground. As part of the Board planning cycle, one full-Board site visit is scheduled each year, and in 2015 the Board visited our Boddington operation in Australia. Directors may also request individual or smaller group visits to any operation or project. For example, during 2015, the Safety and Sustainability Committee Chair Joseph Carrabba visited the Long Canyon project in Nevada prior to the Board's full funding approval for the first phase of the project's development.

For more information about the Board, please visit our website.

#### **Executive Leaders**

Below the level of the Board, primary responsibility for delivering on our strategy, including strong sustainability performance, rests with Newmont's Chief Executive Officer and his executive leadership team (ELT). The ELT, which has extensive operational and international extractive industry experience, has business – as well as personal – objectives against each pillar of the business strategy, including sustainability and external relations. Key roles are as follows:



Gary Goldberg

**President and Chief Executive Officer** 

Holds ultimate responsibility for Newmont's social, economic and environmental performance, and chairs quarterly health, safety and sustainability updates from global and regional team leaders.



**Laurie Brlas** 

**Executive Vice President and Chief Financial Officer** 

Oversees the efforts to drive long-term financial performance and effectively manage risks.



Dr. Elaine Dorward-King

Executive Vice President, Sustainability and External Relations

Oversees the Company's sustainability strategy, including the technical and strategic environmental, geopolitical, social and human rights programs.



#### **Randy Engel**

**Executive Vice President, Strategic Development** 

Is responsible for Newmont's strategy and business plan and optimizing the Company's portfolio through mergers, acquisitions and divestment opportunities.



#### Stephen Gottesfeld

**Executive Vice President and General Counsel** 

Is responsible for Newmont's compliance with applicable laws and regulations, corporate governance, and ethics and compliance program.



#### **Scott Lawson**

**Executive Vice President, Technical Services** 

Oversees Newmont's global supply chain as well as the functions responsible for delivering technology and innovation outcomes that drive sustainable competitive advantage and performance.



William MacGowan

**Executive Vice President, Human Resources** 

Leads Newmont's human resources function and drives efforts to attract, develop and retain talent, strengthen global inclusion and diversity, and ensure workforce rights.



#### **Chris Robison**

**Executive Vice President and Chief Operating Officer** 

Along with the Senior Vice Presidents of Projects and Exploration, the Vice President of Health, Safety and Security, and the Regional Senior Vice Presidents, is charged with delivering leading health, safety, social and environmental performance.

The ELT provides leadership, establishes priorities and delegates matters relating to sustainability to teams and individuals. The sustainability and external relations (S&ER) group plays a central role in developing and implementing management frameworks, auditing against requirements, and tracking and reporting on our performance on environmental and social matters. General managers at each operation play a critical role in implementing policies and standards on the ground. Other groups within the Company also assume direct sustainability management roles. These include health and safety, security, human resources, supply chain and risk management.

Executives are held accountable through Newmont's performance management program, which connects compensation to annual targets that are designed to advance our strategic objectives. Our bonus program for executives, as well as for our regional and site operational leaders, includes health and safety targets to lower accident rates, reduce exposures and develop control plans for top fatality and health risks. While regional bonus plans historically have included sustainability metrics, beginning in 2016, our corporate bonus program will also embed sustainability metrics related to achieving external targets for water, closure and reclamation, complaints and grievances, as well as performance on the Dow Jones Sustainability Index.

The Board's Leadership Development and Compensation Committee has responsibility for the compensation of the Company's key employees, including the Chief Executive Officer and the other executive officers. While Newmont exceeded targets and year-over-year safety results, because we experienced two fatalities in 2014, the Compensation Committee reduced the 2015 bonus payout for the safety measure. For our 2015 safety targets, even though the targets were met or exceeded, the 2016 payout will be similarly impacted due to the two fatalities.

Newmont holds an annual advisory vote on executive compensation to give shareholders an opportunity to approve, reject or abstain from voting on executive compensation programs and policies. More information on director and executive compensation and the process for communicating with the Board is reported in our annual proxy statement.



ETHICS AND GOVERNANC

## **ETHICAL CONDUCT**



ETHICS INVESTIGATION LEADS TO IMPROVED PROCESSES →





to help manage some of our more

MATERIAL SUSTAINABILITY RISKS

Home / Ethics and Governance / Ethical Conduct

## **Approach**

Natural resource development can catalyze economic growth and social development when the rule of law is enforced and transparency and accountability are promoted. However, when poorly managed it can lead to corruption and conflict.

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.

Code of Conduct	Sets out expectations of behavior for Newmont employees, officers and directors, and for our contractors, vendors and other business partners when they are engaged in activities on our behalf
Policies	Broad encompassing statement of business intentions, aspirations and/or commitments
Standards	Specifies minimum acceptable requirements for behaviors, decisions and/or performance
Guidelines	Provides a recommended approach for behaviors, decisions and/or performance
Procedures	Defines specific work, how it should be done, and who should do it

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, which specify minimum acceptable requirements; guidelines, which provide a recommended approach; and procedures, which define 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.

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 our 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.

### 2015 Performance

In 2015, we restructured our global ethics program, supplementing our existing ethics advocates with dedicated compliance managers in those countries considered a higher risk for potential corruption, including Ghana, Indonesia, Peru and Suriname. These experts will work closely with groups that manage higher risk activities – such as supply chain, government and community relations, and security – to oversee training and outreach programs, investigate ethics and compliance complaints, and generally monitor for corruption.

We conducted in-person anti-corruption training in Ghana, Indonesia and Suriname during the year, as well as numerous in-person training sessions with various teams in or around our corporate offices or at other corporate events, including our Board directors, regional senior vice presidents, other operational leaders, and our finance, projects, human resources and security team members.

Our internal audit group conducted a fraud risk assessment for each of our four operating regions (100 percent), and identified the following two corruption risks as significant or greater in terms of impact, with a likelihood of likely or greater:

- Employee receives payments (kickbacks or bribes) from a vendor in order to make or influence a decision in the vendor's favor; and
- Misappropriation of social responsibility funds used for community relations/compensation (e.g., foundations, land access, crop compensation, traditional authorities).

The Company has implemented controls designed to mitigate these risks.

For 2015, our annual ethics training program focused on interactions between managers and employees, a topic that makes up the largest volume of allegations received in our Ethics Solution Tool each year. Participation in the training remained steady compared to the previous year, with 99 percent of managers at operating sites completing the training compared to 97 percent in 2014.

A total of 273 new issues were raised through our anonymous ethics and compliance reporting system throughout 2015, and 38 cases were open at the beginning of the year. By year end, 246 of those matters were closed and 65 remained open. Of the cases closed in 2015, 144 (59 percent) were not substantiated. Of the 102 (41 percent) that were substantiated, 77 resulted in human resources or management actions that ranged from counseling to termination of the employees involved, and 25 resulted in a recommended change of business process. Cases are rated red, yellow and green, depending on the type of allegation and the roles of those implicated, and are closed on average in 55 days. The global ethics team provides reports on cases to the Executive Vice President and General Counsel and to the Audit Committee on a quarterly basis.

Newmont's U.S. political contributions totaled \$110,500 in 2015, a significant decrease from 2014 due to the fact that 2015 was an off-cycle election year.

A total of 26 standards were approved in 2015. While most of them updated existing standards or consolidated multiple standards for clarity and consistency, some of the new standards – including those on human rights, indigenous peoples and security performance – aim to improve our ability to effectively manage some of our most material sustainability risks.

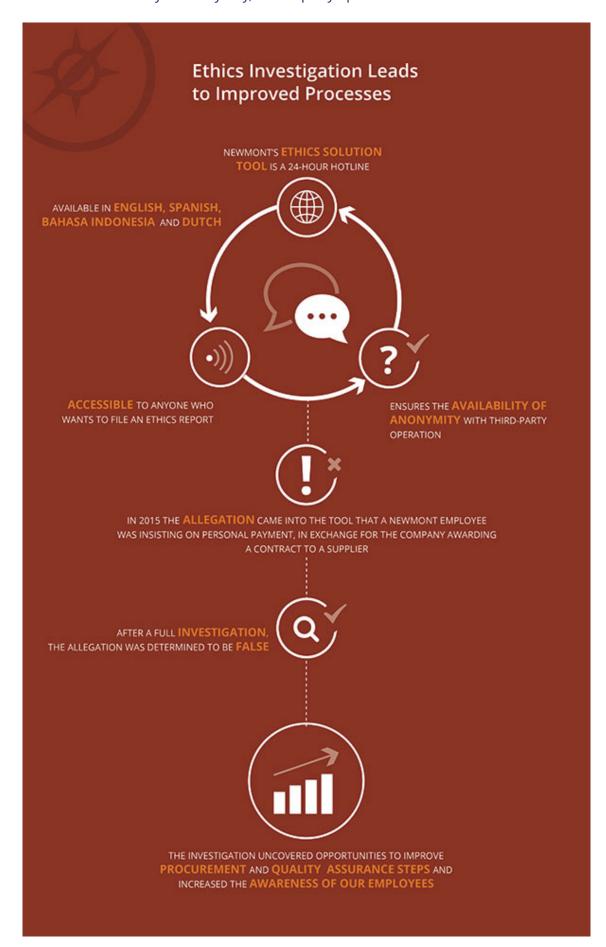
### **Future Focus**

Review and approval of our global standards will be ongoing as each standard is re-evaluated at least every three years.

In 2016, the ethics team will begin operating with its new structure, which is an important part of its focus on working closely with the business to encourage conduct compliant with our Code and values; identifying and preventing potential misconduct before it occurs; and promoting an environment where people are comfortable speaking up if they have concerns or questions. Additionally, the ethics team will continue to work with the supply chain group to identify and manage risks posed by third-party vendors and service providers through supplier screening, onboarding, and appropriately identifying and managing risk through the lifecycle of our supplier relationships.

#### ETHICS INVESTIGATION LEADS TO IMPROVED PROCESSES

Newmont's Ethics Solutions Tool is a 24-hour hotline available in English, Spanish, Bahasa Indonesia and Dutch, which is accessible to anyone who wants to file an ethics report. To ensure the availability of anonymity, a third party operates the tool.



Because of the confidential nature of reports to the tool, names and locations will not be mentioned, but the following example highlights how the tool helps Newmont improve our performance and implement changes to prevent ethical violations.

In 2015, an allegation came into the tool that a Newmont employee was insisting on personal payment, often referred to as a "kick-back," in exchange for the Company awarding a contract to a supplier.

Because such a demand would be a clear violation of our Code of Conduct, policies and standards, the accusation was taken very seriously, as are all alleged violations of our Code. After a full investigation, the allegation was determined to be false. However, the investigation uncovered opportunities to improve procurement and quality assurance steps for certain products used in our processing plants and increased the awareness of our personnel involved in this process.



ETHICS AND GOVERNANC

## **RISK MANAGEMENT**



INTEGRATED SYSTEM HELPS
MANAGE RISKS
ACROSS THE COMPANY →





Commissioned SECURITY ASSESSMENT to address growing CYBER SECURITY risks

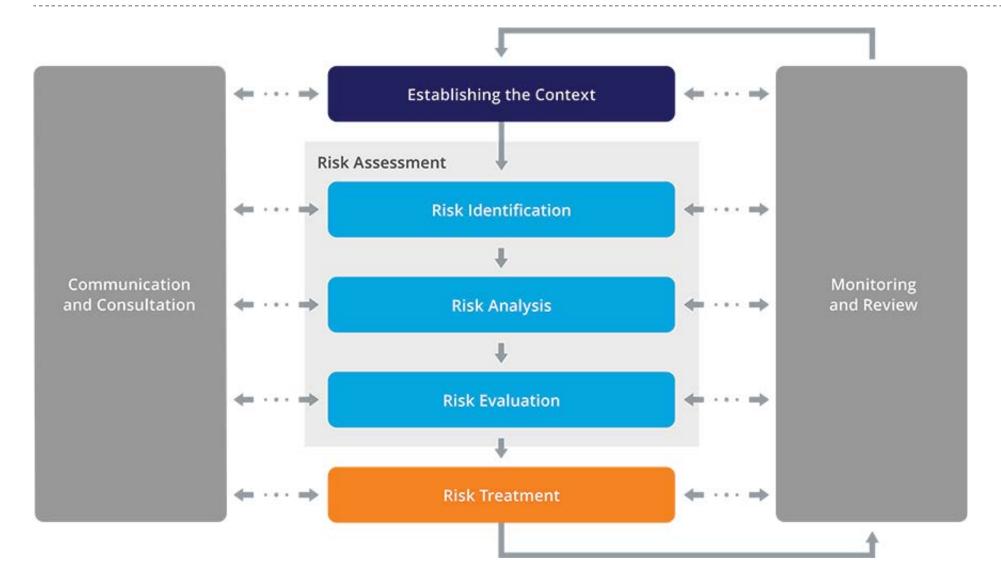
Home / Ethics and Governance / Risk Management

## **Approach**

Mining activities have the potential to adversely impact people, host communities and the environment, which in turn impacts our reputation and license to operate. Effectively identifying and managing our material risks and capitalizing on opportunities are central to our strategy and our ability to deliver shared value to all our stakeholders.

We developed a Risk Management Standard to guide and manage our broad risk profile in order to minimize exposures across the organization and optimize activities to protect stakeholder value. This standard requires all operating regions and functions – during all phases of the mine lifecycle – to use a common risk assessment framework based on the International Standard for Risk Management (ISO 31000). This six-step framework helps create informed decisions on risk treatment options that directly impact the bottom line.

#### **ERM** approach



- Establish the context Identify factors to be assessed and understand the scope, schedule, stakeholders and deliverables that must be completed ahead of assessing the risk.
- *Identify the risk* Define the source of potential exposure.
- Analyze the risk Capture all pertinent details to ensure the potential impacts of each risk are accurately understood and prioritized.
- Evaluate and treat the risk Determine which risks are potentially most impactful; rank and develop plans to avoid, transfer, mitigate or accept risks.
- *Monitor and review* Effectively monitor plans and make course adjustments as necessary.
- *Communicate and consult* Flow significant information through each level of the Company horizontally (e.g., across and within regions and sites) and vertically (e.g., from regional function to corporate function) to drive well-informed decision making.

Management reports are completed for all formal risk assessments, and each region and corporate function must maintain corresponding risk registers. Risk reviews, including layered audits of critical control management plans (CCMP), are conducted at least annually, with significant risks reviewed with the executive leadership team and Board of Directors quarterly, or more frequently as required depending on potential internal and external influences upon the risk.

A key element of risk identification is our country risk program, which guides our approach to understanding and managing the top economic, political – including risks related to corruption – social, environmental, infrastructure and security risks in the countries that are important to our business. After countries are identified and ranked, country strategies are developed to provide a baseline from which to track and manage the identified risks.

When significant events or issues require a crisis or emergency response, Newmont's Rapid Response system ensures quick activation of the plans, people and resources required to respond, and engagement with all relevant stakeholders such as communities and first responders. The system features common language, processes and clear accountabilities to support an effective and coordinated response at the local, regional and global levels. Every team must conduct annual training as well as drills and simulations to ensure a state of readiness in the event of a major incident.

### 2015 Performance

Our Enterprise Risk Management (ERM) process provides Newmont's executive leadership team (ELT) and Board of Directors quarterly updates on the top risks facing the Company, as well details of the corresponding management plans. Top risks are categorized as either Tactical (anticipated risk horizon of one to three years) or Strategic (anticipated risk horizon of three-plus years), with risk ownership assigned to the appropriate region and/or function within the Company.

In 2015, we updated our Risk Management Standard to further improve data integrity, communication of risk information and the effectiveness of our risk analysis techniques. Implementation of the standard, and the associated global standard operating procedures (SOP) describing the process by which risk, associated control strategies and actions are managed, is expected in 2016.

The updated standard and SOPs are part of the overall Integrated Management System (IMS) project. The IMS aims to improve risk management and drive consistent risk management communications by streamlining information related to employee health and safety, security, environment and community relations, based upon risk analysis within these functions. Human rights considerations are integrated into the global risk management process as well as our tools for stakeholder relationship management.

In 2015, we updated our country risk model to better evaluate mining sector risk for ongoing operations and potential investments, and implemented a new Country Entry Standard to establish minimum requirements prior to initiating exploration or merger and acquisition (M&A) activity in countries where we have not had a presence in the past three years.

For health and safety risks, we developed critical control management plans (CCMP) during the year and initiated a catastrophic risk review process that will identify fatality risks in the business.

With cyber security risks growing – among the top 10 according to EY's latest report on business risks facing the mining industry – Newmont commissioned a comprehensive security assessment to benchmark our program against best practice. Based on findings, we developed an action plan to better prepare people and the business for potential breaches, and continue to enhance our security controls across the entire Company.

More detailed information about risks considered most material to our business is included throughout this report. In addition, a list of our significant risks can be found in our 2015 10-K report beginning on page 12.

#### **Future Focus**

Implementation of the IMS project is a multi-year, multi-phased project. Phase one – which is focused on the development and implementation of standards, SOPs and guidance documents – is expected to be complete by mid-2016. The remaining phases will focus on transitioning regions and functions to the IMS platform and continuous improvement.

Other priorities include conducting a review of catastrophic health and safety risks in early 2016, and monitoring and managing escalating or evolving risks through our enterprise risk management (ERM) process. These include environmental risks at legacy sites; expropriation; community support of operational expansions; long-term human capital requirements; security vulnerability assessments; and cyber security threats.

In 2016, our efforts to mitigate and manage cyber security risks will include:

- Governance improving responsibility and accountability through a new security steering committee and updated standards and procedures;
- Security awareness and training increasing awareness company-wide and conducting specialized training for key roles;
- Security engineering enhancing our technical security infrastructure with additional controls and features to improve our effectiveness; and
- *Vulnerability and threat management* improving our ability to identify cyber security risks and effectively respond to and recover from significant cyber security events.

#### INTEGRATED SYSTEM HELPS MANAGE RISKS ACROSS THE COMPANY

In March 2015, a worker at Newmont's Yanacocha operation lost consciousness after being exposed to cyanide. The cause of the event was determined to be an uncontrolled discharge of cyanide solution when an outflow pipe from the cyanide storage tank was unclogged without adequately assessing the risks associated with the task.

#### Cyanide use across the gold production lifecycle



Cyanide is a material that is commonly used to extract gold. Its use across the gold production lifecycle – from transportation through retirement (see image) – means that a single material can pose hazards in a number of areas across the business.

Findings from the Yanacocha event investigation not only revealed an opportunity to improve risk assessments and communication of risks across impacted functions, but also the need to better standardize processes across a number of management functions.

To drive more consistent risk management process and communications, Newmont is implementing an Integrated Management System (IMS). The IMS uses a common platform and database to align health, safety, security, sustainability and external relations risk information across regions and functions beginning with four key areas:

- Risk Management risk matrices, registers, critical controls and mechanisms for those risks assessed "as low as reasonably practicable" (ALARP)
- Event Management reporting on significant safety, security, environmental, social and operational events across functions
- Interactions, Inspections and Audits assurance process to assess the effectiveness of and adherence to Newmont's standards and requirements
- Action Management prioritization, escalations, responsibilities and timelines, and processes for review and tracking

The overall goal of the IMS is to implement a more consistent approach to the identification and management of risks that directly impact our performance. In addition, compliance with regulatory requirements and certifications – including ISO 14001, OHSAS 18001 and the International Cyanide Management Code (ICMC) – will be monitored and maintained through a single system.

The IMS recognizes the reality of risk management in mining. By implementing a common platform, the business will be better able to assess the full scope of a particular risk in an efficient manner, enabling multiple functions to collectively discuss and debate the adequacy of current controls and determine whether additional action is required.



FTHICS AND GOVERNANC

## SUPPLY CHAIN STEWARDSHIP



Case Study

HELPING BUILD RESPONSIBLE,

SUSTAINABLE

LOCAL BUSINESSES →





Home / Ethics and Governance / Supply Chain Stewardship

## **Approach**

Our goal is to address the entire lifecycle of the minerals we produce – from the global supply chain of goods and services that supports our operations to the smelting and refining of the ore we mine. Newmont sources from more than 21,000 suppliers worldwide. This complex global supplier network is critical not only to our operations but also to our efforts to ensure ethical conduct, protect workers, contribute to socio-economic development, mitigate our environmental impacts, and promote positive relationships in our host communities. Sourcing products and services from suppliers that are irresponsible, contribute to conflict or violate human rights can be detrimental to our performance and cause irreparable harm to our reputation and relationships with stakeholders.

### **Sourcing and Procurement**

Our policies and standards require us to work with our suppliers in an ethical manner that promotes a responsible, sustainable supply chain. We are committed to fair competition and continuously improving costs and efficiencies while leading in safety, operational, technical, social and environmental practices.

Through our contract terms and conditions, all suppliers are required to ensure goods and services are supplied in a safe and socially and environmentally responsible manner. These terms extend to their sub-contractors whenever practical. All suppliers are assessed against the significant risks facing our business. We conduct due diligence on select suppliers, particularly those that perform work at our operations. As part of our formal sourcing process, suppliers are required to address their programs and performance in a number of areas – including social, environmental, health and safety, and labor practices.

Our Human Rights Standard, which we are implementing in 2016, will require sites to develop appropriate human rights clauses in standard contracts for new suppliers as well as in existing contracts that are up for renewal. These terms will require suppliers to notify Newmont of any human rights issues related to activities conducted on behalf of the Company, and to conduct investigations and develop action plans to address identified issues.

As part of our pre-qualification process for new suppliers, we screen against anti-corruption and sanctioned third parties. In addition, using a number of spend and category management tools, we assess suppliers against a risk matrix. Based on the assessment and other risk factors – including the country in which the supplier is located or past audit performance – we develop an approach and allocate resources toward mitigating any identified risks within our supply chain.

We have commenced work to develop and ultimately implement a more robust supplier screening program that will audit all new suppliers and flag existing high-risk suppliers against anti-corruption and sanctioned third-party, health and safety, human rights and environmental criteria.

### **Smelting and Refining**

The minerals we produce are essential to our global economy. The majority of our total sales – 84 percent in 2015 – is derived from gold production, with the remainder from copper.

Our gold produced in the form of doré is transported to refineries certified by the London Bullion Market Association (LBMA). The Swiss gold refinery Valcambi refines the majority of gold doré produced at our North America, Peru and Ghana operations. A small volume of our doré produced in Peru is refined by Asahi Holdings, which purchased Johnson Matthey in Salt Lake City in March 2015. The Perth Mint in Australia refines gold produced at our Australian mines.

All three refineries comply with the LBMA Responsible Gold Guidance to ensure the entire chain of custody is responsible and does not source gold from areas and operations that contribute to the financing of conflict or degradation of the environment. For more information about the refineries' commitment to a responsible supply chain, please visit the Valcambi, Asahi Holdings and Perth Mint websites.

Our copper, in the form of concentrate and cathode, is sold to smelters and manufacturers for further treatment. All our copper concentrate and cathode sales contracts include requirements to comply with all permits, approvals and other laws, agree to anti-bribery measures, and – when appropriate – acknowledge our Conflict-Free Gold Standard. Most of our copper concentrate is sold directly to smelters with which we have long-term relationships. However, at times when we produce more concentrate than anticipated, sales will occasionally be made to independent trading companies. In these instances, we may not know in advance where the product is being delivered, but we conduct a vetting process to understand to the greatest extent possible where the trader will be delivering our product.

Through industry associations such as the World Gold Council (WGC) and the International Council on Mining and Metals (ICMM), we aim to better understand the potential impacts of our products, their uses and value streams.

More information on how our products are used is included in our 2015 10-K report.

### 2015 Performance

Our global operating procurement expenditures in 2015 totaled more than \$4.4 billion. Of this amount, an estimated 70 percent was competitively bid, resulting in approximately 4,200 contracts.

In 2015, we began work across a number of areas to strengthen our supplier due diligence and governance processes:

- All new contractors and suppliers (100 percent) were screened against anti-corruption and sanctioned third parties in 2015. We also began tracking the number of new suppliers that we considered selecting or contracting with and the percentage of them that were screened for criteria related to environmental, social, labor relations, and human rights performance. In 2015:
  - Newmont considered selecting or contracting with a total of 575 new suppliers. Of that total:
    - 86 percent were screened using environmental criteria
    - 75 percent were screened using labor practices criteria
    - 28 percent were screened using human rights criteria
    - 79 percent were screened using criteria for impacts on society
  - o Our KCGM operation in Australia did not track this data for 2015 but will do so going forward.
- A cross-functional team began work to identify the relevant criteria as part of a new supplier due diligence process to screen against human rights, impacts to society and environmental risks.
- Work commenced on further enhancing our supplier risk management and contractor management processes beginning with our Boddington mine in Australia, which has the largest number of contractors among Newmont's portfolio. The work at Boddington will help inform our approach as we roll out the processes across our other sites in 2016.
- As part of an extensive global exercise to improve efficiencies in our business processes, we implemented an outsourcing strategy that began with our information technology (IT) functions. The IT outsourcing contract was awarded to Infosys, a multinational consulting company headquartered in Bangalore, India.
- Along with the further implementation of local content strategies, we began development of a lifecycle management strategy to improve our engagement with critical suppliers throughout the entire business relationship and to manage our expenditure from a total cost of ownership perspective. This also will contribute toward additional supplier capacity building and optionality.

In May 2015, we published our annual Conflict-Free Gold Report, which concluded that Newmont does not operate mines in areas classified by the Heidelberg Conflict Barometer as "conflict-affected or high risk" and is in conformance with the criteria established by the WGC's Conflict-Free Gold Standard.

#### **Future Focus**

We will continue work to look deeper into our supply chain and improve our due diligence.

All sites are expected to be in compliance with our Human Rights Standard by the end of 2016.

The focus in 2016 will be on addressing internal gaps and engaging with external experts on the design and development of our supplier screening program. A key component of the program will be systemizing the process to assess the highest risks in our supply chain.

We expect to advance work on our lifecycle management strategy.

The next phase of our strategy to improve our business processes through outsourcing will address opportunities within our finance and supply chain organizations. Full implementation of our outsourcing strategy is planned for 2016.

We expect to publicly disclose our 2015 Conflict-Free Gold Report in the first half of 2016.

#### HELPING BUILD RESPONSIBLE, SUSTAINABLE LOCAL BUSINESSES

Purchasing local goods and services is one of the more effective ways mining companies benefit host communities. Contracting with local suppliers helps create jobs and raise household incomes, improve skills and develop a more diverse local economy. Promoting and providing training to local suppliers on responsible business practices helps ensure a safe, respectful, ethical and environmentally responsible supply chain.



In 2015, Newmont's Ahafo mine in Ghana held a workshop aimed at building the capacity of local businesses. Around 130 local-local businesses attended the workshop, which discussed business opportunities and covered a number of topics related to operating a successful business.

A theme throughout the workshop was the importance of employing ethical, responsible business practices. Speakers talked to attendees about the need to comply with statutory obligations, such as paying taxes and contributing to pension schemes; respecting human rights; and following strong principles of governance to avoid corruption and bribery.

A delegate from the non-profit African Partner Pool (APP) – Ghana's first online cross-sector business directory – briefed participants on the benefits of registering as APP suppliers. The APP directory is a tool for Ghanaian businesses to promote their products and services, as well as their business standards, to international and domestic buyers. APP buyers gain access to a pool of independently validated businesses from across all sectors.

"By collaborating with local-local business partners, we aim to contribute to the development, performance and standards of local businesses, and cascade this impact throughout the local economy within the operating area of our mine through employment and other opportunities," said Kojo Bedu-Addo, Ahafo's Social Responsibility Manager. "This translates to building shared value that benefits the Company, communities and nation at large."



ETHICS AND GOVERNANC

## **HUMAN RIGHTS**



Case Study

NEWMONT EARLY ADOPTER OF

HUMAN RIGHTS REPORTING

FRAMEWORK →





Home / Ethics and Governance / Human Rights

## **Approach**

Mining activities – including access to land and water, labor policies, and use and engagement of private and public security forces – have the potential to impact human rights by infringing on the rights of workers, communities and indigenous peoples. However, strong governance and policy frameworks can be established to respect human rights and translate mining activities into socio-economic contributions that help alleviate poverty, reduce illiteracy, improve critical infrastructure, strengthen capacity and empower communities for self-determined development.

Newmont believes that upholding fundamental human rights and respecting customs, cultures and values are critical aspects of good business and fundamental to sustainable development. Our Code of Conduct commits us to respect and promote the human rights of all people, and our Sustainability and Stakeholder Engagement Policy includes an explicit statement that we will undertake human rights due diligence processes consistent with the United Nations (UN) Guiding Principles on Business and Human Rights (the Guiding Principles) and the Organization for Economic Co-operation and Development (OECD).

Supporting our commitment to respect human rights are our standards on Human Rights, Cultural Resources and Security Performance – which detail the minimum requirements and mechanisms for monitoring our performance related to human rights risks, protection of cultural heritage resources and the use of security forces at our operations.

Our global Human Rights Standard and strategy provide guidance to our regions and sites to 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 existing processes, such as social impact assessments (SIA) or environmental and social impact assessments (ESIA), and employ operational-level grievance mechanisms to assess impacts and identify mitigation actions. 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.

Prior to finalizing the standard, we engaged with a targeted group of external stakeholders to review it and also piloted it in two of our operating regions – Ghana and Peru. The review and pilots provided valuable feedback to ensure the standard was fit for purpose and implementable at the site level.

Newmont recognizes that all communities have a fundamental right to preserve their culture and heritage. We strive to engage early and often with communities to identify, protect and manage sites having cultural or heritage significance to local stakeholders. Our Cultural Resource Management Standard requires every site to develop a cultural resources management plan that includes a study of both physical and cultural heritage resources as well as intangible ones, such as traditions and livelihoods.

We voluntarily commit to the 10 principles set forth in the UN Global Compact (UNGC) and include contract provisions for suppliers related to the Universal Declaration of Human Rights. We participate in the UNGC Human Rights Working Group and Task Force on Business Engagement with Indigenous Peoples. To strengthen our approach to better understanding human rights issues over the longer term, we commit to report our human rights performance in accordance with the UN Guiding Principles Reporting Framework. As a member of the International Council on Mining and Metals (ICMM), we work toward advancing the industry's approach to human rights.

We employ three primary mechanisms to monitor and track our human rights performance – our internal grievance process, external operational-level complaints and grievances (C&G) mechanism and registers and the Ethics Solutions Tool. Our C&G mechanism – which is required at all sites – aims to address stakeholder concerns in a timely and effective manner to avoid conflict and build trust. The Ethics Solutions Tool provides both our workforce and our external stakeholders a confidential channel to report any concern about compliance with our Code of Conduct, including potential human rights issues.

Our executive leadership team is ultimately accountable for establishing the policies and standards that guide our human rights performance with oversight and strategic development provided by our Board of Directors. Regional vice presidents, as well as general managers at each operation, are responsible for ensuring sites operate in a manner that respects human rights and for ensuring our operations comply with all laws, regulations, policies and standards related to human rights. Our cross-functional human rights working groups at the corporate, regional (as appropriate) and site levels are responsible for monitoring implementation of the human rights management plans. All sites have established working groups or have integrated human rights responsibilities into existing working groups. These groups serve to establish functional accountability for human rights risk management.

We are integrating due diligence on human rights risks into our risk management process to ensure Company leaders receive regular updates and reports on key risks, and to ensure the Board's Safety and Sustainability Committee regularly reviews those risk areas within its committee charter. Senior management and the Safety and Sustainability Committee regularly review and discuss human rights topics, such as compliance with global standards, training and escalated complaints – including land disputes, security forces, community interactions and others – with potential human rights implications.

### **Security Forces**

Due to potential security risks, we employ private security teams at our operations in Ghana, Indonesia and Peru and our Merian project in Suriname. Newmont is committed to respecting and promoting human rights while ensuring the safety and security of employees, contractors, visitors, facilities, equipment and materials. The right to security of person is one of our most salient human rights risks. We provide training on security and human rights to private security personnel working at our locations and to public security forces who may be coordinating with private security or providing law and order near or on our operations.

In addition to our Code of Conduct, our security approach is governed by our commitments under the Voluntary Principles on Security and Human Rights (VPSHR) and the UN Global Compact. Newmont is a formal participant in the VPSHR, and we commit to implement and promote the voluntary principles (VP) and annually report on our efforts. The VPs are designed to help companies in the extractive industries maintain safe and secure operations within a framework that respects human rights.

While we have standards and procedures and conduct extensive training to avoid security-related incidents with possible human rights implications, should such an incident occur, it must be recorded and, if found to be credible, reported to the appropriate external authorities as well as Newmont's executive leadership team and the Board. Our Incident Investigation and Reporting Standard details the requirements for security incident investigations. All incidents involving a potential violation of the VPs are reported to the VPSHR plenary.

Guiding our approach is our security strategy, key elements of which are:

- *Engagement* working with NGOs, government groups, and embassies representing countries that are signatory members of the VPs, and engaging with community members to build and improve relationships;
- *Influence* seeking opportunities to reduce the potential for conflict by promoting improved standards related to security providers, and encouraging governments where we operate to participate in the VPs;
- *Transparency* publicizing our security contracts as well as our commitments to the VPs and responding to information requests from stakeholders in a timely manner; and
- *Training* conducting briefings, workshops, seminars and formal training sessions for our private and public security teams that create awareness and understanding of the VPs and related human rights considerations.

### 2015 Performance

In support of our human rights strategy, we worked on a number of fronts to better integrate human rights considerations into the business.

We implemented our Human Rights Standard in 2015, completed gap assessments against the standard at all sites, developed action plans and conducted training to support compliance with the standard. The gap analyses identified the need for sites to establish stakeholder engagement processes and implement risk management systems to better identify changes in human rights risks. All sites are working toward addressing these gaps. In 2015, two operating sites – Ahafo in Ghana and Yanacocha in Peru – completed human rights reviews. All sites are on schedule to be fully compliant with the standard by the end of 2016.

As early adopters of the UN Guiding Principles Reporting Framework, in 2015 we engaged internally across regions and functions and externally with human rights experts and key stakeholders to identify our top salient human rights risks. We held a cross-functional corporate workshop to identify an initial set of potential human rights issues, which was followed by sessions with regional and site teams to determine the severity and likelihood for each issue. Out of the 26 potential human rights issues initially identified, we found that all are important but seven are considered our most salient human rights risks, and we discuss each one in more detail throughout this report. To learn more about our performance and how we manage and address these risks, click on the human rights issue below:

#### Salient Issues



Shift – one of the organizations that facilitated the development of the Reporting Framework – worked closely with us on implementation of the Reporting Framework.

We improved our complaints and grievances (C&G) mechanism and processes by implementing a systematic categorization for all complaints and grievances registered and began initial work to employ a more consistent method to identify and categorize those C&Gs that are either registered as human rights issues or have the potential to be human rights related issues.

During 2015, a total of 24 grievances or allegations related to human rights were reported; 23 were resolved during the year; and none were addressed from a prior reporting period. These matters can be reported to Newmont though various means including our site C&G registers, human resources department or online Ethics Solutions Tool. Details on these grievances or allegations are discussed in the following table.

	_

TYPE OF GRIEVANCE OR ALLEGATION	NUMBER OF HUMAN RIGHTS GRIEVANCES OR ALLEGATIONS	DESCRIPTION AND LOCATION BY COUNTRY
Discrimination in the workforce related to gender, race, age and/or sexual harassment	5	Nevada reported four allegations and Australia reported one allegation related to discrimination in the workplace. All five allegations were investigated using various means, including teams from human resources and members of senior management. The matter in Australia was investigated by the Australian Human Rights Commission (AHRC), which was not able to substantiate the claim. The four allegations in Nevada resulted in employee discipline, up to and including termination.
Child labor	0	We did not receive any grievances or allegations of child labor violations.
Forced and compulsory labor	0	We did not receive any grievances or allegations of forced or compulsory labor violations.
Land rights (non-indigenous)	2	In Ghana, a community member reported Newmont to the Ghanaian Commission on Human Rights and Administrative Justice alleging that we owed rent for land used to accommodate local police. We fully investigated the issue and reached a resolution with the complainant. The Commission determined the allegation was not a human rights violation.
		In Peru, we continued to work toward resolution of a land dispute related to the family of Maxima Acuña de Chaupe. These efforts are described in more detail in this section.
Indigenous rights	1	No grievances were reported relating to indigenous land or resource use. However, at our Long Canyon project in Nevada, tribal monitors reported issues related to an employee. The matter was investigated, and Newmont worked with the U.S. Bureau of Land Management and tribal monitor to resolve the issue.
Security forces	1	In Ghana, we received an allegation that a security guard assaulted an employee. The allegation was fully investigated and found to be unsubstantiated.
Other	15	In Australia, there were 14 allegations of bullying in the workplace. After the allegations were investigated, three were found to be unsubstantiated, 10 led to disciplinary actions and one resulted in termination of employment.  In Ghana, during a community engagement activity, an employee alleged harassment by the traditional
		authority. Newmont took the necessary steps to ensure the employee's safety and wellbeing.
Total	24	

At our Yanacocha operation in Peru, we continue to seek resolution to a complex land dispute with the Chaupe family. We brought in independent experts to conduct a fact-finding process, which is guided by an external advisory panel, to evaluate compliance with international best practices and assess allegations of human rights violations associated with the dispute. As part of this effort, the independent experts and Newmont engaged with a number of NGOs including Oxfam America, Latin American Mining Monitoring Programme and Amnesty International to provide status updates.

We define "significant investment agreements" as those agreements with governments that enable the development of a mine or advance exploration activities within the country. In 2015, Newmont entered into one significant investment agreement with the government of Ghana. However, this agreement did not include any human rights clauses.

We completed annual training based on security and human rights at our sites that employ private security personnel and those where public security forces are active in and around our operations. We recorded and addressed all complaints and grievances received related to human rights.

#### Training based on the Voluntary Principles on Security and Human Rights

REGION	SITE/LOCATION	TOTAL NUMBER OF PARTICIPANTS IN SECURITY TRAINING	PERCENTAGE OF SECURITY PERSONNEL TRAINED	CUMULATIVE HOURS OF TRAINING
Africa	Ahafo, Akyem and Accra	1,080	100%	1,988
Indonesia	Batu Hijau	2,219	100%	3,860
South America	Yanacocha	35,072	100%	35,072
Total*		38,371		40,920

<sup>\*</sup> Note: The numbers reflect the total attendance counted at all of the training sessions held in 2015. Many people attended several sessions during the year and were counted more than once to calculate the total hours of training. Yanacocha has, on average, 511 security personnel on site, including 25 full-time Newmont employees, 380 contractors and 106 government personnel.

In 2015, there was one significant security-related event. A trainer working for the private security firm that provides services to Surgold, Newmont's subsidiary that operates the Merian project in Suriname, shot and wounded two small-scale miners who illegally entered the Merian site in July. Following the Surinamese Police Corps investigation, Newmont conducted a review of Merian's security protocols and training programs, focusing on human rights compliance. Following this review, we implemented an action plan – which includes additional training and engagement with community members and small-scale miners – to address the findings.

As a member of the VPSHR, we encourage host governments to join the organization and engage in mutual learning on security and human rights. In the regions where we operate, the governments of the United States, Australia and Ghana have been participants since 2000, 2013 and 2014, respectively. In 2015, we served on the government of Ghana's Implementation Steering Committee to help Ghana – which is the first African country to join the VPSHR – implement the VPs. In 2015, our Akyem operation hosted international NGOs, including Fund for Peace, Democratic Control of Armed Forces and the Community Development Association, on a site visit to observe how the operation trains and equips private and public security forces to protect operations and communities in a way that respects human rights.

#### **Future Focus**

## **Human Rights**

We will continue to work toward advancing our systems, investing in processes and developing a deeper cross-functional understanding of our human rights impacts with the goal of reporting our performance in ways that are meaningful to our stakeholders.

Key focus areas in 2016 will be:

- Continuing to implement our Human Rights Standard by conducting human rights impact assessments and integrating human rights into existing processes such as social impact assessments, grievance mechanisms and stakeholder engagement activities;
- Improving monitoring, tracking and data collection of salient human rights risks to further advance conformance with the Reporting Framework by the end of 2016;
- Improving governance through a new supplier screening program to ensure human rights performance within our business relationships;
- Assessing human rights due diligence best practices associated with high risk business relationships with the aim of identifying audit processes for implementation;
- Integrating human rights into our Integrated Management System (IMS) in 2016, in order to proactively identify risks to the business as well as people and the environment by 2017;
- Integrating human rights risk reviews into site-based risk assessment processes; and
- Implementing standalone or integrated human rights impact assessments (HRIA) at all sites.

## **Security Forces**

Accurately assessing the risks present in our operating environments is a key element of implementing the Voluntary Principles (VP). Our security target measures the development of security and human rights risk assessments, which form the basis for the development of critical control management plans.

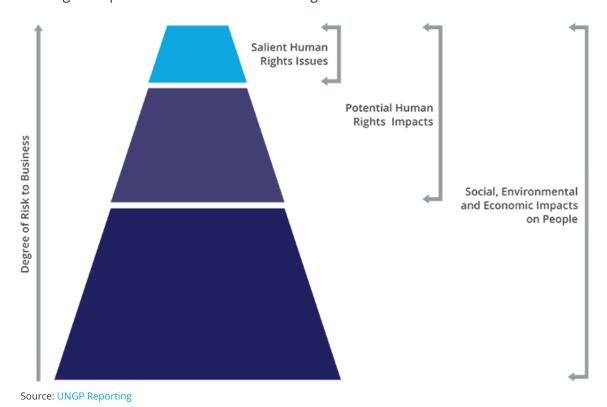
Securit	ty targets		
YEAR	TARGET DEFINITION	TARGET FOR SITES	TARGET FOR NEWMONT
2016	Security risk assessments pertaining to human	100% of operating, project and exploration sites have completed a security and human rights risk assessment in the required format	100% of applicable sites have completed required training in the Voluntary Principles on Security and Human Rights
2017	rights are completed, issues and potential impacts identified, and, where necessary, mitigation strategies and controls have been	100% of identified High and Extreme threats have a Critical Control Management Plan. 80% of identified actions have been actioned	100% of risk assessments have been subject to external review/audit
2018	considered, and required training is scheduled and provided	100% of identified Moderate, High and Extreme threats have a Critical Control Management Plan. 95% of identified actions have been actioned	A valid sample of Critical Control Management Plans has been subject to audit

In 2016, we will begin to implement our refreshed security strategy, which aims to build an even stronger security program. Among the strategy's implementation activities in 2016 are completing threat and vulnerability assessments; partnering with an international NGO to conduct independent audits on the VPs at select sites; and establishing a Security and Social Acceptance Committee (SSAC) to improve governance and support implementation of the strategy.

All sites that employ security forces will develop an action plan to conduct security risk assessments using a standardized template and methodology consistent with the VPs.

#### NEWMONT EARLY ADOPTER OF HUMAN RIGHTS REPORTING FRAMEWORK

In early 2015, Newmont became one of six global companies – and the first in the extractive industry – to become an early adopter of the Reporting Framework for the UN Guiding Principles on Business and Human Rights.



The Reporting Framework – which was developed over two years through a global, multi-stakeholder consultative process called the Reporting and Assurance Frameworks Initiative (RAFI) – helps businesses demonstrate how they meet their responsibilities to respect human rights by using a framework of questions that assess risk and performance. The Reporting Framework provides guidance on how to disclose meaningful information on our overall human rights performance; provides guidance for human rights reporting within the context of our broader sustainability reporting; and helps us improve internal conversations, decisions and actions that directly support more effective management of our most salient human rights risks.

Newmont has committed to using the Reporting Framework to define and report on our most salient human rights risks – or those that have the highest likelihood of being impacted by our activities or business relationships – and to publish our policies and disclose the measures we take to safeguard human rights in the places we operate. We also expect the framework to serve as a basis for constructive and meaningful engagement with key stakeholders.

Developed in consultation with companies, governments, investors, civil society organizations and professional services firms, the Reporting Framework has the

formal support of more than 80 global investors representing over \$4.8 trillion assets under management.

Please visit the GRI/ICMM and Reporting Frameworks page for more information on how Newmont is using the framework.



OUR WORKPLACE



Case Study

CREATING A HIGH-PERFORMANCE

ORGANIZATION →



Established a THREE-YEAR PLAN to create a more DIVERSE and INCLUSIVE WORKPLACE

Home / Our People / Our Workplace

# Approach

People are the foundation of Newmont's long-term success. We must attract and retain the talent we require in all business cycles by providing a work environment that supports individual development and fosters a culture of inclusion and diversity.

Our efforts to attract, retain and develop top talent are guided by our Code of Conduct – which sets forth expectations for all Newmont employees, officers and Board directors, and for contractors, vendors and other business partners when they are engaged in activities on our behalf.

Our global People Policy outlines the commitments we make to select and develop our employees, and establish a workplace where everyone takes an active part in reaching our strategic goals while feeling included and proud to work at Newmont. These commitments include:

- Investing in the success of our people through training and development, developmental assignments, performance management, succession planning and talent management, and supporting the capacity building of the local workforce.
- Treating all people with respect and providing a work environment free from discrimination based on national origin, race, religion, gender, sexual orientation, disability, age or any other attribute protected by law. We also prohibit harassment, bullying and any threats or acts of violence while conducting business for or on behalf of Newmont.
- Recruiting, promoting and retaining employees based on their qualifications for the required work and doing so in a manner that promotes equitable and transparent recruiting practices.
- Becoming an industry leader in global inclusion and diversity by maximizing local employment, increasing female representation, creating a workforce that truly reflects the communities where we operate, and establishing a workplace where all people have the opportunity to achieve and contribute to their full potential.

- Investigating matters raised by employees through our formal and anonymous process and prohibiting retaliation against anyone raising a question, concern, complaint or grievance.
- Compensating people in a fair and equitable manner. While programs are locally structured and managed to reflect differences in local market conditions, culture, employee preferences and statutory requirements, our Total Rewards program is designed to provide a competitive compensation position in all locations and support equitable remuneration between men and women among job categories. The program is structured without bias among national origin, race, religion, gender, sexual orientation, disability, age or any other legally protected categories.

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 efforts align with the strategic priorities of the business. The strategy focuses on development of our people and diversity in the workplace; addressing rising demand for local employment; and supporting the smooth integration of new projects and assets. Imbedded in all these areas are global inclusion and diversity.

Through employee-led, executive-sponsored business resource groups (BRG), employees foster the exchange of ideas, advocate for change and often identify and provide solutions to important workplace matters such as engagement, professional development and policies.

To monitor and measure our performance, we conduct surveys – including our global employee survey, which provides all employees an opportunity to make their voices heard and give anonymous feedback on the direction of the business. To advance our inclusion and diversity goals, we establish targets, monitor a number of metrics, and track the implementation of actions and programs.

# **Benefits by Major Operations**

Newmont's compensation and benefit programs and practices for employees – of whom more than 99 percent are full time – are designed to be fair and equitable and support our ability to recruit, engage, reward and retain talent in each respective region.

In *Australia*, our employee benefits include comprehensive medical insurance; an employee and family assistance program; superannuation plan for retirement savings and general financial planning services; life and disability insurance; and various paid leave benefits such as holidays. Australia also offers additional benefits such as salary continuation, and long-service and bereavement leave. Flexible work arrangements also are available to support diversity and inclusion.

In *Ghana*, employee benefits include comprehensive medical coverage; life insurance; short- and long-term disability; defined contribution pension with an employer contribution; national social security contribution; and various paid leave benefits. Other benefits competitive for the market include funeral assistance; tertiary scholarships; wellness services; mobilization; subsidy on interest on personal or auto loans; malaria prevention devices; and a long-service award. Senior management employees also have access to a company vehicle.

In *Indonesia*, current benefit offerings include comprehensive medical and hospital subsidies, housing assistance and retirement savings plans.

In *Peru*, employee benefits include medical insurance with dental and vision coverage; oncological insurance; life and accident insurance; short- and long-term disability insurance; medical evacuation; and paid vacations. Other benefits competitive for the market include funeral assistance, bereavement and immediate family sickness leave, and legal assistance for retirement planning.

In the *United States*, we offer a defined benefit pension plan to salaried employees; comprehensive health coverage inclusive of medical, dental and vision; wellness programs; an employee assistance program; life insurance; accidental death and disability insurance; short- and long-term disability; a defined contribution 401(k) plan with a company match; paid leave benefits; and tuition assistance, scholarships and service awards. Additional voluntary employee offerings include legal services, pet insurance, charitable gift matching programs and paid volunteer days. Flexible work arrangements also are available to support diversity and inclusion.

On a global basis, stock ownership is awarded under a long-term incentive plan for employees in designated pay grades. Our Medical Benefits Abroad program provides coverage for employees and eligible dependents for accidents or illnesses that occur during travel on approved business outside the country of residence.

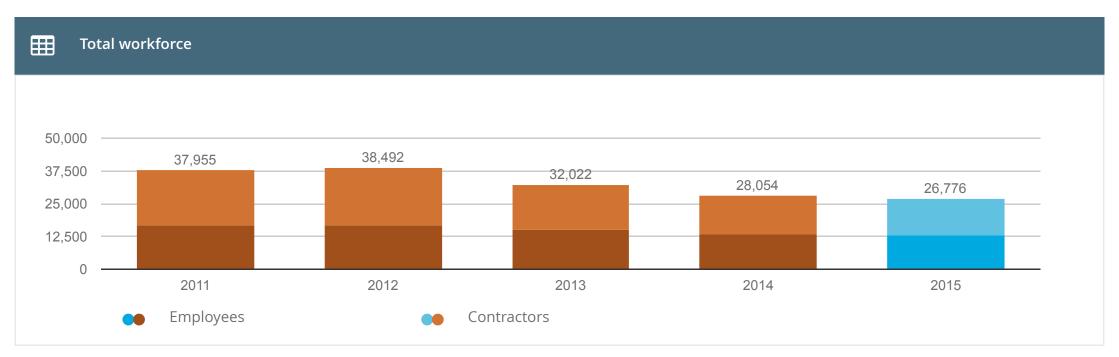
#### 2015 Performance

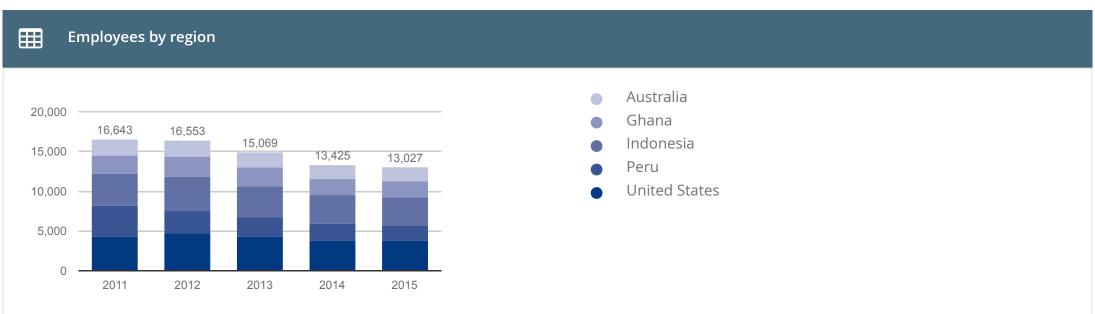
Our information technology (IT) department was significantly impacted in 2015 due to a decision to outsource many of the services previously performed by employees. We also are pursuing opportunities to improve the efficiency and effectiveness of other business processes currently performed by our finance and supply chain organizations. Where outsourcing triggered reductions in force, we followed a formal review and notification process, treated people fairly and with respect, and provided competitive severance and transition benefits.

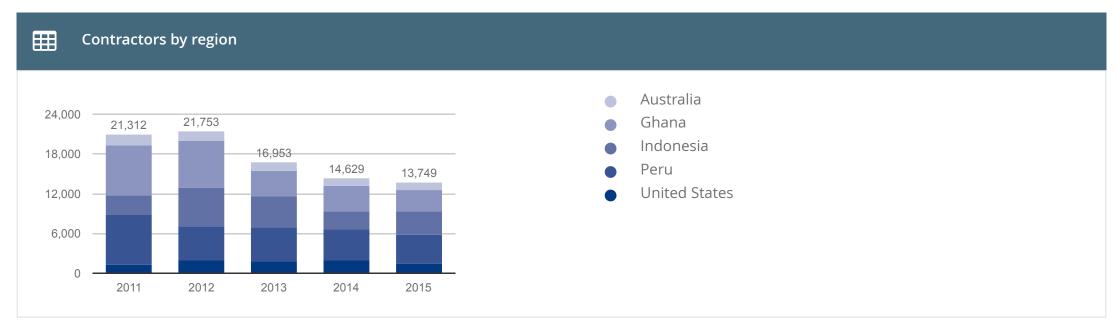
Our talent acquisition efforts in 2015 were largely focused on hiring talent for both the construction and operation phases of the Merian project in Suriname. We engaged with the community near the project to discuss local employment commitments related to recruiting, hiring and training.

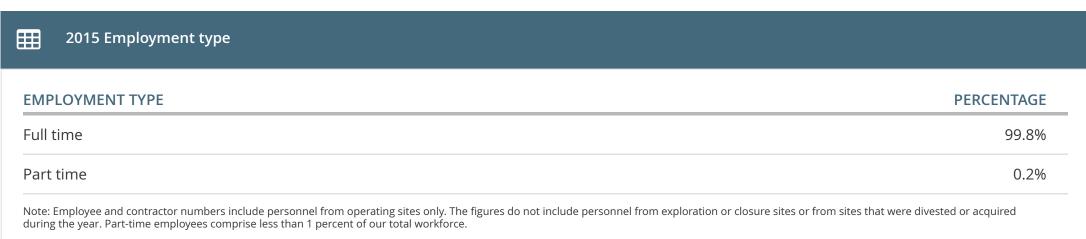
Following the announcement of Newmont's acquisition of the Cripple Creek & Victor (CC&V) mine in Colorado, we formed an integration team that included leaders from both Newmont and CC&V to develop plans and processes to minimize disruptions. Part of the integration efforts included crew meetings and individual face-to-face meetings with CC&V employees and their spouses. Following the close of the transaction in August 2015, we successfully transitioned 550 CC&V personnel to Newmont's compensation structure and system.

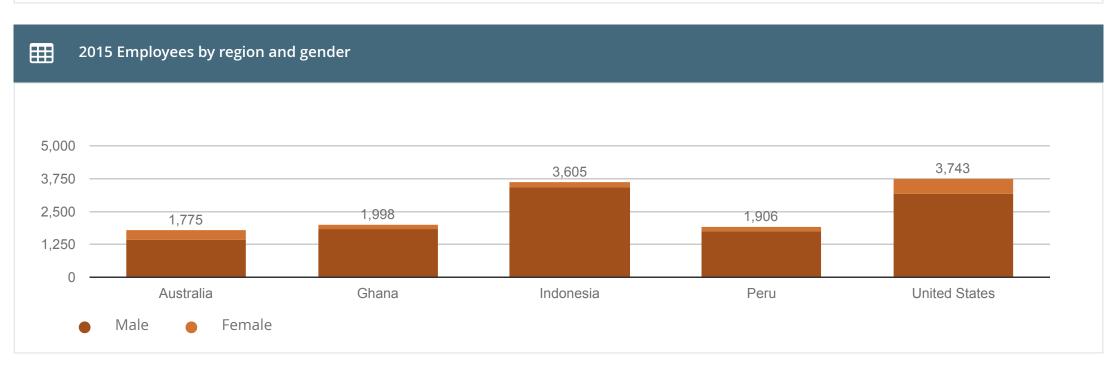
At the end of 2015, Newmont's global workforce comprised more than 13,000 employees and 13,700 contractors, a decline of around 4.6 percent compared to 2014.

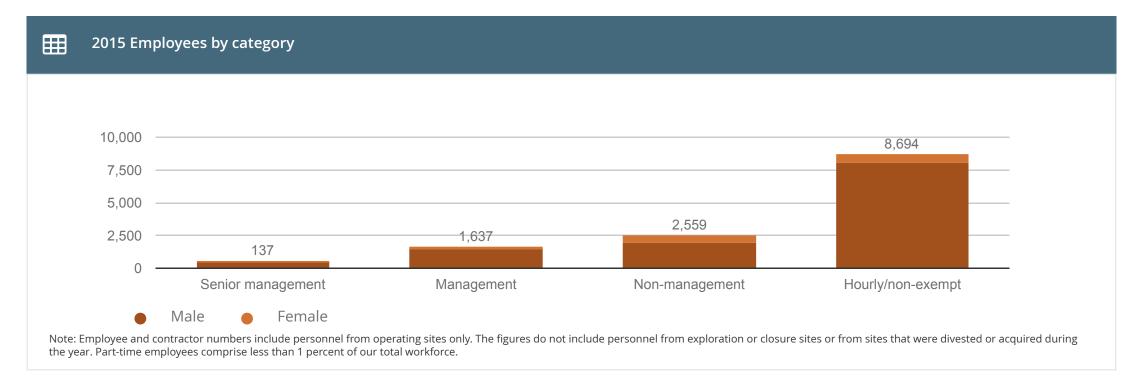












At the end of the year, representation of women among all employees remained at 11 percent. The percentage of women in senior management roles slightly decreased to 15 percent compared to 16 percent at the end of 2014. Among our operating regions, we exceeded our internal targets for increasing female representation in senior management positions in Africa and met our targets in North America and Asia Pacific. While we did not meet our targets in Indonesia and South America, we continued efforts to help us achieve our goals. For example, in Peru, we strengthened the pipeline for new employees through an internship program where female representation was 50 percent for the second year in a row.

National representation in senior management positions increased in two of our regions. Nationals now represent 43 percent and 64 percent of our regional leadership teams in Ghana and Peru, up from 11 percent and 55 percent, respectively, at the end of 2014. Around 88 percent of our senior leaders work in their country of nationality.

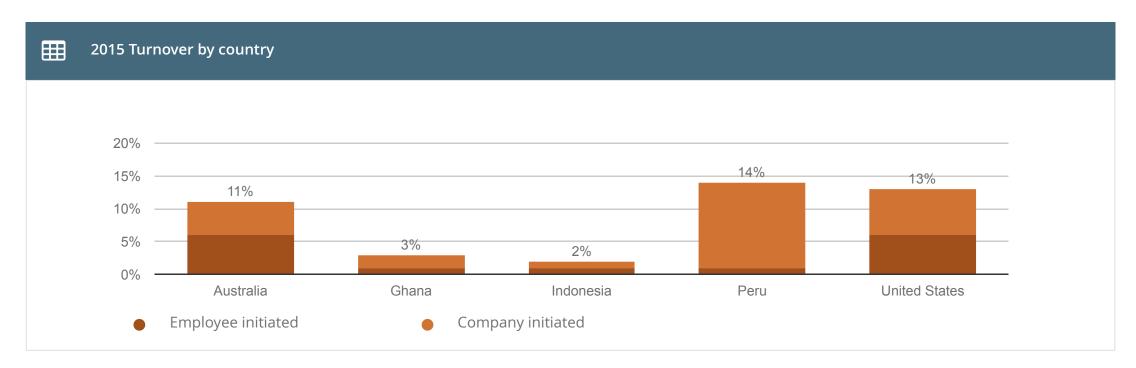
	2011	2012	2013	2014	2015
Board of Directors	27%	27%	30%	33%	30%
Executive leadership team	0%	0%	33%	33%	33%
Senior management*	13%	13%	12%	16%	15%
Management	11%	10%	9%	9%	9%
Non-management	25%	25%	23%	24%	23%
Hourly/non-exempt	8%	7%	7%	5%	8%
Total	12%	12%	11%	11%	11%

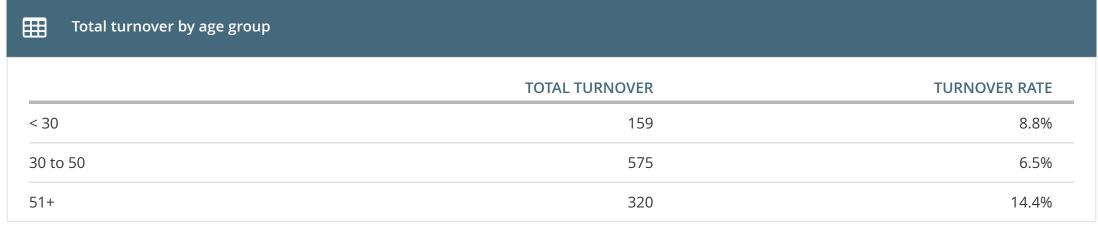
	< 30	30-50	51+	TOTAL
Senior management*	1 (0.01%)	71 (0.55%)	65 (0.50%)	137 (1.05%)
Management	49 (0.38%)	1,261 (9.68%)	327 (2.51%)	1,637 (12.57%)
Non-management	456 (3.50%)	1,725 (13.24%)	378 (2.90%)	2,559 (19.64%)
Hourly/non-exempt	1,404 (10.78%)	5,784 (44.40%)	1,506 (11.56%)	8,694 (66.74%)
Total	1,910 (14.66%)	8,841 (67.87%)	2,276 (17.47%)	13,027 (100.00%)

Ratio of average female salary to a	average male salary by ca	ntegory			
	NUMBER OF FEMALE EMPLOYEES	AVERAGE FEMALE SALARY	NUMBER OF MALE EMPLOYEES	AVERAGE MALE SALARY	RATIO FEMALE/MALE AVERAGE SALARY
Senior management/executive	20	\$289,574	117	\$279,162	1.04
Management	144	\$86,389	1,493	\$71,068	1.22
Non-management	580	\$60,432	1,979	\$65,410	0.92
Hourly/non-exempt	683	\$47,538	8,011	\$33,486	1.42

Ratio of average female salary to average male salary by region					
	NUMBER OF FEMALE EMPLOYEES	AVERAGE FEMALE SALARY	NUMBER OF MALE EMPLOYEES	AVERAGE MALE SALARY	RATIO FEMALE/MALE AVERAGE SALARY
Australia	337	\$84,637	1,438	\$105,418	0.80
Ghana	175	\$19,544	1,823	\$20,279	0.96
ndonesia	203	\$10,281	3,402	\$8,652	1.2
Peru	143	\$35,340	1,763	\$32,627	1.1
United States	569	\$82,017	3,174	\$82,218	1.00

The employee-initiated turnover rate declined to 3.2 percent during the year, compared to 3.9 percent in 2014.







Total (company- and employee-initiate	d) turnover by gender				
	2011	2012	2013	2014	2015
MALES					
Company initiated	339	1,176	1,069	939	537
Employee initiated	734	847	902	451	340
Total	1,073	2,023	1,971	1,390	877
Company-initiated rate	2%	7%	8%	8%	5%
Employee-initiated rate	5%	5%	6%	4%	3%
Total rate	7%	12%	14%	11%	8%
EMALES					
Company initiated	52	163	276	128	104
Employee initiated	155	200	169	83	72
Total	207	363	445	211	176
Company-initiated rate	0%	1%	16%	9%	8%
Employee-initiated rate	1%	1%	10%	6%	5%
Total rate	1%	2%	25%	14%	13%

NEW HIRES	RATE (PERCENT OF TOTAL POPULATION) 10%
182	10%
182	10%
223	11%
20	0.6%
57	3%
416	11%
195	14%
703	6%
440	23%
387	4%
	20 57 416 195 703

Newmont strives to provide all employees feedback on their performance. The structure of that feedback varies among locations, job categories and workforce agreements. Of our total employee population, around 62 percent participated in a formal performance review process. Where no formal process for performance management exists, we follow local protocols to connect employee skills and competencies to business performance. We are working to improve our analysis and reporting on performance review data, so we can disclose both employee category and gender information in future reports.

We invested approximately \$10 million in training and development programs during the year. Programs, which vary in each region, may include on-the-job development and technical training for specific job functions, formal training and development programs – including courses on developing effective management and leadership capabilities – and ongoing education opportunities through apprenticeships, tuition assistance, and scholarships to universities and technical schools.

Training and develop	ment investment				
	2011	2012	2013	2014	2015
Total (US\$M)	\$15.9	\$15.9	\$13.4	\$9.0	\$9.99
Total (hours)	799,223	1,179,573	1,080,603	961,449	869,225

Average hours of training per year, per employee by emplo	oyee category				
	2011	2012	2013	2014	2015
Senior management	25	20	15	23	22
Management	60	74	85	91	81
Non-management/technical professional	37	43	74	76	34
Hourly	49	82	69	68	74

Average hours of training per employee by employee category and gender				
	FEMALE	MALE		
Senior management	26	22		
Management	85	80		
Non-management/technical professional	28	36		
Hourly	65	75		

In 2015, we refreshed our global inclusion and diversity strategy, and established a three-year plan to maintain momentum and advance our efforts to create a more inclusive and diverse workplace.

Among the notable milestones achieved in 2015 were the addition of inclusion – an environment where employees have the opportunity to contribute, develop and work together to deliver our strategy – as one of our core values; benefits for transgender care and treatment; and four new employee-led business resource groups (BRGs) – women and allies and local Cajamarquino employees in Peru; military veterans in Nevada; and health and wellness advocates at the corporate office.

In 2015, we piloted an inclusive leadership training program in our regions that provides the tools and strategies to help participants identify and remove barriers to inclusion. Our Yanacocha operation signed an agreement with Peru's national training school SENATI to develop specialized training for tire technicians in Cajamarca. And during the year, our Nevada operations concluded their 2016 summer intern hiring with women representing more than 40 percent of the incoming class.

#### **Future Focus**

In 2016, we plan to implement programs, such as mentoring, and introduce a suite of career development tools for both managers and employees to drive our employee development throughout all levels of the organization. Additionally, we will deploy online talent profiles and individual development plans to increase employee involvement in our efforts to develop a stronger and more diverse bench of leaders.

Particular focus in 2016 will be on continuing to ensure smooth transitions of select processes within finance, IT and supply chain to our outsourcing provider as part of our efforts to improve efficiencies in our business processes.

We will implement the next phase of integrating inclusion and diversity into all aspects of our human resources processes and programs; set new targets and strategies to cover broader definitions and a wider segment of the employee population to include attributes such as race, ethnicity, generational differences and sexual orientation; and continue to expand employee-led BRGs into all regions to more effectively integrate inclusive practices into our culture.

In addition to our local and indigenous hiring targets, we set targets to increase the enterprise-wide representation of women in our workforce to 13 percent by 2018. All regions must provide periodic as well as annual updates to our Board of Directors and executive leaders on their respective progress against regional targets to increase female and national executives – or maintain levels in instances where targets have been met.

As employee engagement is a key metric in determining an inclusive environment, we will conduct a global employee survey in early 2016 to measure key areas of engagement. After assessing the feedback, we will follow up with action plans in each region.

#### **CREATING A HIGH-PERFORMANCE ORGANIZATION**

Human capital is defined as the collective skills, knowledge, experience and other intangible human characteristics that create value for individuals and organizations.



Newmont's workforce has been through significant changes in the last three years, including a 23 percent reduction in the total employee population. In 2015, our Board of Directors approved a refreshed Human Capital strategy that assesses potential risks – such as knowledge transfer, critical skills shortages, labor costs and employee engagement – and more clearly aligns our talent management approach with our overall business goals.

While flexible to meet the needs of the business, the strategy includes six elements:

- Leadership and Talent Development sustaining strong leadership as a competitive advantage through succession planning, performance management, talent management and development, and strong recruiting efforts
- Employee Value Proposition and Engagement engaging through business performance, strong managers, competitive compensation, health and wellness, and feedback mechanisms
- Global Inclusion and Diversity expanding diversity focus beyond gender and nationality, and embedding global inclusion and diversity into all human capital processes
- Labor Relations preparing for and effectively engaging in negotiations to reach fair agreements in a timely manner and to avoid work interruptions
- Portfolio Support supporting divestitures and acquisitions to guide how employees enter and exit Newmont
- Human Resources Operating Model standardizing and streamlining global processes and seeking opportunities for continuous improvement



OUR PEOPLE

# WORKFORCE RIGHTS



Case Study

CONSIDERING THE HUMAN

IMPACTS OF BUILDING A

STRONGER PORTFOLIO →



with the workforce through one divestiture and one acquisition



Home / Our People / Workforce Rights

# **Approach**

With around half our workforce represented by a union, bargaining unit or workplace agreement, protecting workers' rights and engaging with our union organizations to achieve mutually beneficial results are critical to the sustainability of our business. Labor actions resulting in unrest and work stoppages can cost our business millions and foster negative sentiment that can be very hard to reverse.

We reduce the risk of labor-related human rights violations by working to build a workplace culture that respects and promotes people's rights, embraces inclusion and diversity, develops leaders and allows every person to thrive, contribute and grow. Our Code of Conduct (the "Code") and People Policy guide our approach and detail our commitment to protecting employee rights and ensuring a respectful workplace free from discrimination, harassment and violence.

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

Newmont provides multiple methods for employees, contractors, vendors and other parties engaged on Newmont's behalf to submit complaints concerning a failure to uphold our Code, or any other policy, standard or procedure. Methods include communication with managers, human resources, regional ethics advocates and the Ethics Solutions Tool. Complaints are subject to prompt and appropriate investigation, and no individual will be retaliated against for reporting a good faith complaint.

We recognize and respect our employees' right to join a union and engage in collective bargaining without interference or fear of retaliation, and we work to build productive relationships with our employees and the organizations they choose to represent them. Our labor relations approach includes guidelines that help regions balance the interests of represented employees with the interests of the business, with the ultimate goal of evolving the collective bargaining negotiation process to one based on collaboration.

To continuously develop and maintain collaborative and healthy relationships, we regularly engage with all the unions that represent our employees.

Newmont is committed to providing timely disclosure of significant operational changes to all employees. Of our seven operations with collective bargaining agreements, the minimum notice period for communicating operational changes is four weeks at three of our sites. At Ahafo and Akyem in Ghana, the minimum notice period is seven days for operational changes and three months for a reduction in force. At Tanami in Australia, the minimum notice period is one to four weeks, depending on the worker's length of service. Yanacocha does not have a minimum notice period requirement.

We comply with all local laws pertaining to work hours and overtime, and we do not engage in, or condone, any form of child, forced or compulsory labor at any of our sites.

#### 2015 Performance

At the end of 2015, around half of our workforce was represented by a union, bargaining unit or workplace agreement.

	2011	2012	2013	2014	2015
	2011	2012	2013	2014	2015
Australia	15%	14%	9%	10%	12%
Ghana	100%*	100%*	100%*	100%*	100%*
Indonesia	82%	85%	88%	91%	85%
Peru	19%	17%	24%	26%	28%
United States	32%	32%	35%	39%	40%
Global total	48%	51%	54%	56%	49%

We negotiated a new workplace agreement at our Batu Hijau operation in Indonesia during the year. Negotiations were productive and the resulting agreement balanced fair wages and benefits with work practices that help keep our business competitive. We also began collective bargaining agreement negotiations with the unions representing employees at our Ahafo and Akyem operations in Ghana. Following their inability to reach a deal, the parties appeared before Ghana's National Labour Commission for mediation. An agreement on 2014 wages and salaries was reached and implemented, with negotiations on 2015 terms continuing into 2016.

None of our operations reported violations of – or have been identified as a significant risk of violating – the right to exercise freedom of association and collective bargaining.

Despite a prolonged negotiation process and two incidents of unrest in Ghana, there were no strikes or lockouts in 2015 that exceeded one week.

None of our operations reported incidents – or have been identified as a significant risk of having incidents – of child labor or forced or compulsory labor.

#### **Future Focus**

We seek to maintain positive and collaborative relationships with our existing unions. As contracts near the end of their term, we will work to negotiate new collective bargaining agreements, managing any disputes without incurring significant work disruptions.

We will continue to engage with the workforces at the newest additions to Newmont's portfolio of operations – Cripple Creek & Victor, Merian and Long Canyon – to ensure their rights are protected.

#### CONSIDERING THE HUMAN IMPACTS OF BUILDING A STRONGER PORTFOLIO

In late 2015, Newmont sold the Waihi operation in New Zealand – marking its third divestiture of an operating mine in less than two years – and acquired the Cripple Creek & Victor (CC&V) mine in Colorado. In both transactions, we conducted extensive negotiations with the buyer and seller not just on the financial, commercial and operational details of the deals but also the impacts to employees.



We believe understanding the importance of people issues in these transactions helps lay the groundwork for a successful transition.

During divestiture negotiations, we work with potential buyers to discuss impacts to employees' interests. This includes working within the boundaries of regulatory and legal requirements and the terms of the sale agreement to avoid major changes and maintain comparable compensation, benefits and other conditions of employment as a whole. We also stress the importance of keeping the workforce apprised of deal developments through frequent face-to-face communications with leadership. Meetings, hotlines and other feedback tools aim to address questions and issues from the workforce in a timely manner.

For acquisitions, part of our due diligence process seeks to understand the capabilities and motivations of the workforce. Much like our approach with divestitures, we work to avoid employee impacts and maintain comparable benefits and pay structures while also aligning to other similarly situated Newmont

employees. This approach helps us effectively integrate the employee talent pool to best attract, retain and motivate our workforce for the long term – a key factor in measuring the success of the acquisition.



OUR PEOPLE

# HEALTH AND SAFETY



Case Study
ON-THE-GROUND SOLUTIONS TO
STAY HEALTHY AND SAFE →



Reduced injury rate 18 PERCENT, setting a new RECORD LOW for the fifth year in a row



Home / Our People / Health and Safety

# **Approach**

The wellbeing of people is our top priority, and the right to life and right to healthy and safe working conditions are among our most salient human rights risks. Falls from heights, electrical exposures, injuries associated with large equipment, and illnesses related to noise, dust particles, chemical vapors and repetitive tasks are among the significant health and safety risks our business faces on a daily basis. Critical to the sustainability of our business is vigilance in assessing, managing and, where possible, eliminating the health and safety risks associated with mining activities.

A core value at Newmont is safety. Our goal is zero harm – defined as a workplace free from injuries and illnesses and measured by zero fatalities. And while Newmont has made significant strides in reducing our injury rate by 74 percent over the past decade, we continue to have fatalities.

To continue to improve our health and safety performance, we focus on two key areas – the systems and processes that detail our commitments and requirements, and the behaviors and culture that motivate people to choose more healthy and safe choices.

Newmont's commitment to protect the health and safety of our employees, business partners and visitors is articulated in our Health and Safety Policy. A set of management and technical standards – which are included in our global Health and Safety Management System – provide the governance, structure and minimum requirements to achieve our goal of an injury-free workplace.

Newmont's Safety Journey – our global strategy to achieve zero harm – focuses on four strategic areas to help Newmont achieve a step change in our performance:

• Safety Leadership – Eliminating serious injuries and fatalities from the business requires visible, felt leadership where leaders demonstrate accountability for the safety of their teams and a genuine commitment to people. Because frontline supervisors play a critical role in building a culture of zero harm, our Safety Leadership Coaching program focuses on improving frontline supervisors' leadership skill sets.

- Fatality Prevention We have increased our focus on identifying, managing and embedding the understanding of critical controls those controls that can either prevent serious events or minimize the consequences if such an event were to occur. Our internal health and safety audits test not only compliance with the systems and standards that govern risk management and other aspects of our health and safety program, but also the culture that is driving behaviors. Our site-based systems are aligned to Occupational Health and Safety Assessment Series (OHSAS) 18001 standards.
- Employee Engagement 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 when they see less safe behaviors or hazards is vital to achieving a culture of zero harm. Led by opinion leaders from throughout the ranks, our Vital Behaviors program helps workers identify and reinforce the behaviors that matter most to them. Personal safety plans and our performance management system also encourage employees to improve their own safety attitudes, behaviors and beliefs.
- Health and Wellness The health and wellbeing of our people are just as important as their safety. We focus on seven key areas of performance exposure management, medical services, wellness, health programs and sustainability, community/public health, governance, and the professional development of our health personnel. Health risk assessments and chemical management plans aim to anticipate, recognize, evaluate and control a variety of occupational health hazards. For similar exposure groups (SEG) with high risk agents, we establish baseline exposures, which contribute to the development of critical control management plans (CCMP). Wellness activities such as nutrition and exercise education, "fit-for-duty" programs and on-site healthcare clinics with trained medical professionals are designed to raise awareness and promote overall better health.

We measure our health and safety performance by tracking lagging indicators – such as injury and illness rates – as well as important leading indicators – such as safety interactions, exposure reduction, and identifying critical controls – that influence our performance. All significant events are investigated. Investigations and corrective actions to prevent reoccurrence related to serious potential events and serious accidents are reported to the executive leadership team and Board of Directors.

Technical training is provided to all employees working at our mine sites, and safety inductions are conducted for all contractors and visitors to our sites.

As required in our Emergency Preparedness and Response Standard, all Newmont facilities must identify, plan for and be able to respond effectively to emergency situations. In addition, each site has emergency response teams who participate in specialized training and mock drills, as well as competitions that test the teams' preparedness and competencies against industry peers.

Through health impact assessments and our risk management process, we assess the safety and health impacts of mining activities on the communities. Plans to manage, mitigate or alleviate identified community safety and health risks are based on these assessments and ongoing analysis.

We are committed to learning from and sharing best practices with other industry players. We also take part in programs sponsored by the ICMM, the Mining Safety Roundtable, and the Earth Moving Equipment Safety Round Table to improve our performance. Finally, we participate in regional health and safety programs supported by the United States National Mining Association – including its CORESafety program, which sets a common path for mining companies to eliminate fatalities and cut serious injuries in half by 2017 – as well as the Western Australia Chamber of Minerals and Energy, the Ghana Chamber of Mines and similar associations.

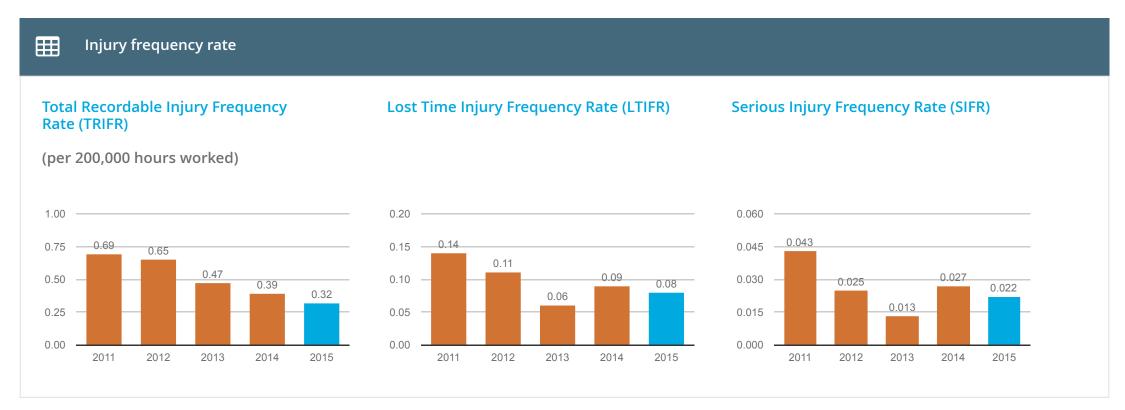
#### 2015 Performance

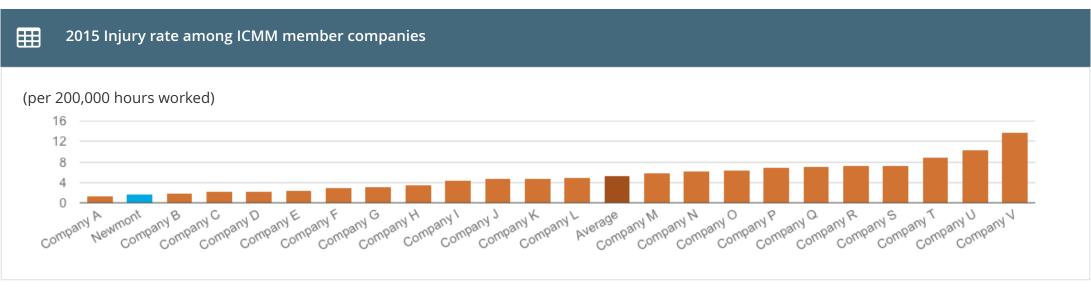
Despite our goal of zero harm, we tragically lost two people working on Newmont's behalf in 2015.

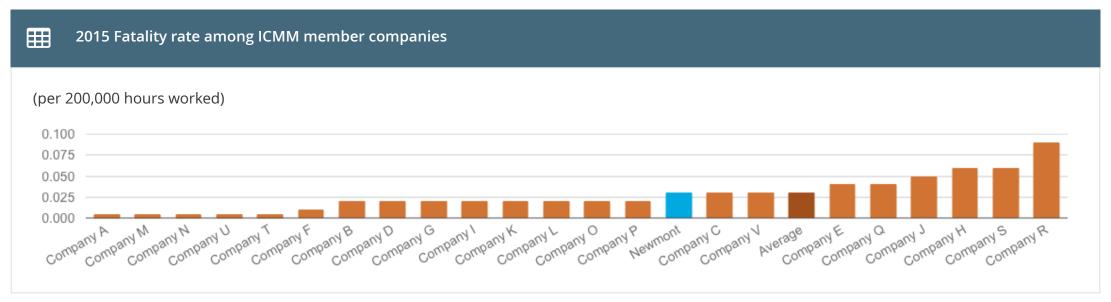
In January, Brian Holmes, a contractor working at our Leeville underground mine in Nevada, suffered a fatal injury traveling in a shaft elevator. As a result of this accident, we installed enclosed cages to better protect workers being transported in the vent shaft. We also retrained employees on proper safety procedures. In September, Mastar Tedi, a contractor cutting down a tree at the Batu Hijau mine in Indonesia, was seriously injured when struck by a falling tree, succumbing to his injuries a few weeks later. Based on findings from the accident investigation, we are working to improve training, raise supervisor competencies in the tasks being performed, and increase vigilance with performing pre-task risk assessments.

Though we have yet to achieve our goal of zero harm, we made notable progress in reducing injuries. Our Total Recordable Injury Frequency Rate (TRIFR) of 0.32 was an 18 percent decline from 2014 and set a new record low for the fifth year in a row. This rate was second lowest among all International Council on Mining and Metals (ICMM) member companies.

With contractors comprising more than 50 percent of our workforce, each region continued work toward improving contractor training programs and conducting regular safety reviews in contractor work areas. The injury rate among contractors has been cut by almost half since 2011, with an additional 5 percent reduction in 2015 compared to the prior year.







REGION	EXPOSURE HOURS	FATALITIES	LOST TIME INJURIES*	RESTRICTED WORK INJURIES*	MEDICAL TREATMENT INJURIES*	LOST DAYS	2015 LTIFR	2015 TRIFR
North America	11,431,899	1	10	14	19	664	0.17	0.75
South America	14,572,150	0	7	1	8	86	0.10	0.22
Australia	10,351,229	0	5	7	17	203	0.10	0.56
Africa	12,236,129	0	2	1	5	150	0.03	0.13
Indonesia	18,548,601	1	3	1	9	23	0.03	0.14

In 2015, our Occupational Illness Frequency Rate (OIFR) declined to 0.06 from 0.29 in 2014, largely due to improved reporting of work-related musculoskeletal injuries at our Yanacocha operation in Peru. In previous years, Yanacocha had included in its reporting a number of musculoskeletal injuries that had, in fact, occurred outside the workplace.

Our OIFR metric includes illnesses such as noise-induced hearing loss (NIHL), respiratory illnesses, occupational infections (such as malaria, tuberculosis and dengue fever), work-related cancers, skin diseases and musculoskeletal disorders. During 2014, our internal assurance processes identified that cases of NIHL – defined as a confirmed recordable hearing shift of at least 25 decibels – had been over-counted in some regions. This over-reporting included cases of shifts that were below thresholds as well as shifts flagged during initial screenings but not confirmed by an audiologist. As a result, we standardized our recording and classification of NIHL and restated our results for NIHL to include only confirmed cases in 2014 and 2015.

#### Occupational Illness Frequency Rate (OIFR) by region 2014 OIFR\* **REGION** 2015 OIFR\* North America 0.02 0.02 South America 8.0 0.02 0 Australia 0.05 Africa 0.14 0.15 Indonesia 0.21 0.09 \* Note: These figures include contractors. We currently are not able to report employee and contractor OIFR data separately, and we do not collect this data by gender.

Activities in 2015 among our four strategic areas of focus included:

- Identified critical controls and developed critical control management plans (CCMP) for the top five fatality risks and top three health risks in each region; implemented verification of CCMPs through layered audits of critical controls; and established an independent assurance process with Internal Audit using an external critical risk management specialist.
- Participated as a member of an ICMM working group in developing a "Health and Safety Critical Control Management" guidance document on preventing the most serious types of health and safety events in the mining industry.
- Held safety leadership coaching sessions in which leaders provide coaching in key health and safety competencies to frontline supervisors.
- Continued work toward fully integrating our health and safety systems and processes into the global Integrated Management System (IMS).
- Conducted Cultural Leadership Reviews to support operational leadership and to develop a more constructive culture by understanding and adjusting the impact of current systems, symbols and behaviors toward the desired culture.
- Conducted more than 275,000 safety interactions during the year, exceeding our target.
- Updated our pandemic plans on a global basis using lessons learned from our participation in the global initiative to fight the Ebola outbreak in Africa. Elements of the plans include a business continuity plan, controls for employees and guidelines for training.
- Completed health risk assessments; established baseline exposure reduction indices (ERI); developed critical control management plans (CCMP) for the top three similar exposure groups (SEG) with high-risk exposure agents; and finalized the global Occupational Health and Wellness Roadmap, which includes region-specific health and wellness plans, the creation of a mental health strategy and setting reduction targets in employee health exposures using the ERI baselines.

Concern about the response to the unprecedented Ebola virus outbreak in West Africa led to the formation of the Ebola Private Sector Mobilization Group (EPSMG) in 2014. EPSMG, of which Newmont is a founding member, began as a platform for mining companies to share information. After forming, the organization grew its members to more than 80 companies across multiple sectors, and also expanded its purpose to include advocacy for a global, mobilized and coordinated response to the outbreak.

In 2015, the EPSMG shifted its focus from response to resilience, supporting the "No More Epidemics" campaign that aims to bring together civil society, the private sector, academia, governments and multilateral organizations to prevent major epidemics through good surveillance, early detection and effective response. We support these efforts through our health awareness campaigns and through training on universal precautions – conducted by our health services provider International SOS – at local health clinics in Ghana.

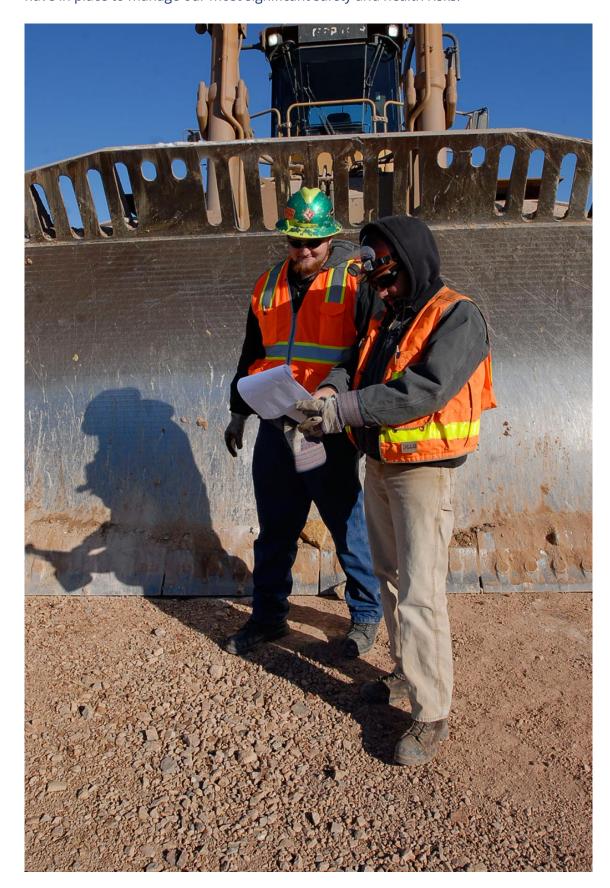
#### **Future Focus**

Our strategic objectives for 2016 are to eliminate fatalities by implementing critical controls for key fatal risks; improve "lessons learned" processes and methods for sharing between regions; reduce health exposures by implementing CCMPs for airborne agents; and further reduce our TRIFR by another 10 percent. To achieve these goals, we are focused on elevating our performance in the following key areas:

- Improving the quality of safety interactions and pre-task risk assessments;
- Clearly defining operational leaders' work and alignment of accountabilities and authorities for health and safety;
- Piloting improvements to the investigation process and reducing repeat events by increasing critical learnings;
- Continuing to measure the effectiveness of critical controls, including independent assurance;
- Implementing a global Integrated Management System (IMS) and updating associated health and safety technical standards and guidance;
- Incorporating critical controls into our Vital Behaviors program to increase understanding and compliance, and implementing a health and safety recognition program to celebrate exceptional work teams and their performance; and
- Implementing our global Occupational Health and Wellness Roadmap.

#### ON-THE-GROUND SOLUTIONS TO STAY HEALTHY AND SAFE

With near misses, serious accidents and fatalities still occurring in our business, we identified the need to increase our focus on the quality and effectiveness of the controls we have in place to manage our most significant safety and health risks.



"In our risk management processes, we needed to take a look at how well our current controls – be they hard controls, such as policies and procedures, or soft ones involving beliefs and values – are working in reality," said Suresh Rajapakse, Newmont's Vice President of Health, Safety and Security. "It was important to question if they are indeed adequate to control the risk and whether they work in all the necessary situations and conditions."

In 2015, Newmont introduced a critical control management process (CCMP) to identify risks, determine the critical controls – those that can prevent health and safety events or minimize the impact should an event occur – verify the controls' effectiveness, and develop improvement plans where and when needed.

And while the global health and safety leadership team initiated the process, it was the leadership teams and those closest to the work in the regions and at the sites who turned the program into a success.

When our Nevada operations started the process, they discovered it was an opportunity to renew a focus on those risks of greatest concern at each operation.

"The CCMP is a chance for the sites to take a deep dive into the things that keep them up at night," said Jesse Steele, Risk Manager for Newmont's North America operations. "Everyone from the frontline worker to the manager is involved, and there is a real sense of ownership."

The CCMP also reinforces continuous improvement through ongoing checks on the control, which often leads to new ways to address the risk. For example, one risk identified was ensuring operators were fit for duty, especially as it relates to fatigue. Initial controls included increasing safety interactions around what it meant to be fit for duty and developing action plans. By revisiting the risk, another control was added – to construct a parking lot closer to the mine to reduce drive times.

"The reason this program is successful is that it allows the people at the site to determine what is most important to them," said Dave Street, Risk Management Coordinator at the Phoenix and Twin Creek mines. "And because you engage people's passions around what they've identified, they give it attention."

Taking a close look at the controls we currently rely on helps us identify ways to improve them, and by doing so, close gaps that may have caused the controls to fail and let an incident occur.



# **ECONOMIC AND SOCIAL PERFORMANCE**

Newmont's purpose is to create value and improve lives through sustainable and responsible mining. We strive to build respectful, mutually beneficial relationships with stakeholders, and to serve as a catalyst for sustainable economic development.

CASE STUDIES →

ADDED 9 MILLION **OUNCES OF GOLD TO** THE RESERVE BASE



**EMPLOYMENT AND PROCUREMENT** TARGETS ENSURE LOCAL **DEVELOPMENT OPPORTUNITIES.** →

#### **LEARN MORE**



Financial and Operating Performance



Value Sharing



Local Employment and Business Opportunities



Community Investments



Community Relationships



Indigenous Peoples



Resettlement and Land Use



FCONOMIC AND SOCIAL PERFORMANCE

# FINANCIAL AND OPERATING PERFORMANCE







IMPROVED TOTAL SHAREHOLDER RETURNS to remain in the first quartile versus sector competitors

Home / Economic and Social Performance / Financial and Operating Performance

# **Approach**

Creating long-term value for our stakeholders requires the ability to adapt to changing environments, understand competitive threats, prepare for technological and other innovations, and focus on the environmental and social issues to help us obtain the social acceptance, permits and agreements that are critical for our business.

Newmont's focus on building a sustainable, competitive business relies on four main factors:

- Our people, who make accountability and continuous improvement a way of life;
- Our discipline in how we manage both our portfolio and balance sheet;
- Our focus, which remains fixed on delivering value to our shareholders; and
- Our strategy for creating long-term value.

#### Our business strategy is to:

- Secure the gold franchise by running our existing business more efficiently and effectively
- Strengthen the portfolio by building a longer-life, lower-cost asset portfolio
- Enable the strategy through capabilities and systems that create competitive advantage

#### 2015 Performance

We continued to deliver on our strategy to lead the gold sector in profitability and responsibility. In 2015, we took the necessary steps to position the business for success in a constrained gold price environment. Improvements in our operations, corporate structure and asset portfolio led to strong financial results and a stock price that outperformed the gold price for the year.

Results that differentiated our performance in 2015 include:

- Increasing adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) by 29 percent to \$2.7 billion and more than doubling free cash flow to \$756 million despite a 9 percent drop in the realized gold price
- Improving total shareholder returns (TSR) to remain in the first quartile versus sector competitors
- Lowering net debt by 19 percent while continuing to invest in growth
- Realizing nearly \$780 million in operational efficiency improvements through Full Potential a program aimed at accelerating the delivery of business improvement opportunities across our operations and support areas, resulting in improved operating cash flow
- Improving portfolio value by acquiring CC&V and selling Waihi and Valcambi at fair market value
- Optimizing the pipeline and advancing five profitable projects on time and on budget
- Adding 9 million ounces of gold to the reserves base through exploration and acquisition

Significant changes in 2015 related to the Company's size, structure, ownership and supply chain include:

## **Operations**

- Announced decision to develop the first phase of Long Canyon mine in a prospective new gold district in Nevada
- Assumed operatorship of the KCGM joint venture operation in Australia to streamline processes for greater efficiency in decision making
- Announced plans to add profitable gold production through expanding the Tanami operation in Australia by building a second decline in the underground mine and additional plant capacity
- Achieved commercial production at the Turf Vent Shaft, which provides access to higher grade ore at the Leeville underground operation in Nevada
- Received a six-month export permit extension from the government of Indonesia allowing copper concentrate shipments to continue at the Batu Hijau operation
- Concluded the process of revising the Investment Agreement between the government of Ghana and Newmont with the ratification of the agreement by parliament. The agreement outlines commitments to equitably share the benefits of mining while ensuring long-term fiscal stability to support investments

# **Acquisitions and divestitures**

- Completed the purchase of the Cripple Creek & Victor gold mining operation in Colorado, which is expected to contribute between 350,000 to 400,000 ounces of gold in 2016 and lower the Company's overall cost profile
- Completed the sale of the Waihi operation in New Zealand for cash proceeds of \$102 million
- Divested 60 percent equity interest in the Valcambi gold refinery for cash proceeds of \$119 million

# **Ownership**

- Completed common stock offering, generating net proceeds of approximately \$675 million
- Announced beneficial ownership of approximately 30 percent of TMAC Resource Inc. following TMAC's completion of an initial public offering of its common shares

# Supply chain

• Awarded an outsourcing contract for information technology (IT) services to Infosys as part of the Company's Business Process Full Potential initiative to optimize the organizational structure; further standardize global processes; and build a more effective and efficient organization

Financial highlights					
(AS OF DECEMBER 31, 2015)	2011	2012	2013	2014	2015
Attributable gold production (Koz)	5,166	4,977	5,065	4,845	5,035
Attributable copper production (Mlbs)	223	173	179	191	365
Average realized gold price (\$/oz)	\$1,562	\$1,662	\$1,393	\$1,258	\$1,141
Average realized copper price (\$/lb)	\$3.54	\$3.43	\$2.98	\$2.65	\$2.13
Sales (in millions)	\$10,441	\$9,964	\$8,414	\$7,292	\$7,729
Dividends paid per share	\$1.00	\$1.40	\$1.225	\$0.225	\$0.10

#### **Future Focus**

In 2016, we will continue to build on our performance and portfolio improvements; prepare for lower metal prices; and maintain competitive costs and steady production, which will give us the means to fund our most promising projects, pay dividends and reduce debt.

Our focus for 2016 is to take our performance to the next level by:

- Improving behaviors and critical controls to eliminate fatalities;
- Continuing to optimize our operations and portfolio;
- Delivering profitable new ounces through expansions, acquisitions and exploration;
- Maintaining a fit-for-purpose operating model, promoting diversity and developing people; and
- Securing the social acceptance, permits and agreements needed to deliver on our strategy.

Finally, we will demonstrate our commitment to continuous improvement in those areas that matter most to our stakeholders by working to achieve our public social and environmental targets and implementing initiatives and systems that help us achieve our goals.

#### **CRIPPLE CREEK ADDITION ADVANCES STRATEGY**

In 2015, Newmont acquired the Cripple Creek & Victor (CC&V) gold mine in Colorado, the largest gold mine in the state. With the addition of CC&V to our portfolio, we increased the volume of production from jurisdictions with low political and social risk.



In addition to the favorable jurisdiction, CC&V supports Newmont's strategy to lead the gold sector in value creation by:

- Offering strong earnings and cash flow with additional opportunities to improve value;
- Adding between 350,000 and 400,000 ounces of gold per year in 2016 and 2017, respectively, at all-in sustaining costs of between \$650 and \$700 per ounce;
- Strengthening the reserve base; and
- Retaining CC&V's experienced workforce to ensure business continuity.

Consistent with what we've achieved at our other operations, we believe we can lower CC&V's direct mining costs through mine plan optimization, and improve mill recoveries by applying proprietary technology. In addition, CC&V is undergoing an expansion, which includes a new mill to increase production, improve recovery on higher grade ore, and add capacity for a potential underground operation. The mill

reached full production capacity at the end of 2015. The expansion also features a second leach facility and new recovery plant, which are expected to be in production in the second half of 2016.

In September 2015, CC&V reached an important milestone with the production of 5 million troy ounces of gold since the operation began in 1995.



FCONOMIC AND SOCIAL PERFORMANCE

# **VALUE SHARING**



YANACOCHA FOUNDATION
PARTNERS FOR CAJAMARCA'S
FUTURE →



Published INDEPENDENT STUDY on the socio-economic benefits of the AHAFO MINE

Distributed \$6.05 BILLION in direct economic contributions including \$433 MILLION in payments to governments

Home / Economic and Social Performance / Value Sharing

# **Approach**

Mining activities can create economic value that also generates benefits for communities by addressing challenges. Wages and benefits, taxes and royalties, procurement of goods and services, and investments in community programs and infrastructure are among the more effective ways our operations help catalyze socio-economic development in host communities. Our operations also are long term and require significant up-front investments. Unpredictable government fiscal policies create an environment that discourages additional investment, leading to mine closures and job losses. Mitigating and managing this risk requires strong governance, transparency around our payments to governments, and effective stakeholder engagement to fully demonstrate our commitment to deliver shared value.

This commitment is a key element of our sustainability strategy and is expressed in our Sustainability and Stakeholder Engagement Policy.

Our standards and systems – as well as global frameworks such as the International Council on Mining and Metals' (ICMM) Principles for Sustainable Development – support our strategy and policy by measuring our impact and driving alignment, transparency, accountability and performance throughout the business.

We commit to transparency around payments to governments consistent with the principles and objectives of Publish What You Pay – an international coalition of NGOs that advocates for open disclosure of company payments and government revenues from the extractive industry.

Government effectiveness – including regulations, laws, control of corruption, revenue management and benefit sharing – has a significant impact on our operations and our ability to translate mineral development into socio-economic advancement. Through partnerships and collaboration, we work to strengthen the governance and capacity of public institutions. Newmont has been actively involved in the Extractive Industries Transparency Initiative (EITI) since its creation in 2002. EITI is a coalition of governments, companies, investors, civil society groups and international organizations whose goal is to promote transparency regarding payments by resource companies to governments, as well as transparency on how governments allocate these revenues.

EITI aims to strengthen governance and transparency, which in turn helps build trust and a more effective use of natural resource revenues for economic and social development. As an original signatory to the EITI, we support the initiative's implementation in countries where we operate and are current members of the U.S. EITI Multi-Stakeholder Group. Among the countries where we operate, Ghana, Indonesia and Peru are EITI compliant countries; the U.S. is a candidate country; and Australia is evaluating EITI candidacy.

While we measure and report on our direct contributions – such as local employment and business opportunities and community investments and foundations – it is much harder to track how our workers and suppliers spend their wages on goods and services. However, we have commissioned renowned economists to conduct independent socio-economic impact assessments (SEIA) that show our operations can have a significant direct, indirect and induced contribution to host communities.

In addition, our payments to governments can have a cascading effect as government expenditures – such as infrastructure improvements – lead to jobs for workers, who spend money in the community, which benefits businesses that may hire additional workers, and so on.

#### 2015 Performance

Ongoing pressure on gold and copper prices throughout 2015 resulted in Newmont reporting lower net income compared to the previous year. This impacted our direct economic contributions associated with tax and royalty payments and our contributions to host countries through employment and community investments.

In late 2015, the government of Ghana approved a revised Investment Agreement that is designed to ensure fair and predictable fiscal arrangements that support profitable and responsible mining operations capable of delivering shared value to all stakeholders.

The first U.S. EITI report was approved by the Multi-Stakeholder Group and published in December.

During the year we published the findings from the second independent report on the socio-economic impacts of our Ahafo mine in Ghana. The study, which was conducted from 2012 to 2013 and traced the ripple effects of the mine's spending in 2011, found that the mine's annual expenditures of \$412 million supported \$360 million of value added to the Ghanaian economy and directly and indirectly supported 41,000 jobs, of which 1,900 are directly attributable to the Ahafo operation. The study also found that the Newmont Ahafo Development Foundation (NADeF) significantly amplifies the economic effect in the mine's operating region.

In 2015, the United Nations (UN) adopted a new sustainable development agenda, which includes 17 sustainable development goals (SDG) that aim to end poverty, protect the environment and promote prosperity by 2030. The UN Development Programme (UNDP) – together with the World Economic Forum, the Columbia Center on Sustainable Investment, and the Sustainable Development Solutions Network – drafted the *Atlas* to map the linkages between mining and the SDGs, as public-private partnership on a global scale will be necessary to achieve these goals. The *Atlas* – which reflects input from mining companies including Newmont – is designed to provide a framework for mining companies and stakeholders to review current activities and their alignment with the SDGs; to support planning, resource allocation and investments; and to identify opportunities for partnerships.

Our tax payments are central to our approach to contribute to sustainable development. In 2015, our direct economic contributions totaled more than \$6.05 billion, including \$223.5 million in taxes and \$209.6 million in government royalties. This represents a decrease from 2014 due to lower metal prices.

2015 Economic value distributed (in millions)						
COUNTRY	OPERATING COSTS	EMPLOYEE WAGES AND BENEFITS	PAYMENTS TO PROVIDERS OF CAPITAL	PAYMENTS TO GOVERNMENTS	COMMUNITY INVESTMENTS	TOTAL
Australia	\$1,102.57	\$333.19	\$1.46	(\$54.51)	\$1.11	\$1,383.82
Ghana	\$322.28	\$74.20	\$0.00	\$60.51	\$6.59	\$463.58
Indonesia	\$514.40	\$111.03	\$10.57	\$247.00	\$6.48	\$889.48
Peru	\$703.76	\$148.88	\$0.00	\$192.95	\$7.60	\$1,053.19
United States	\$1,270.02	\$678.56	\$322.45	(\$12.91)	\$6.79	\$2,264.91
Total	\$ 3,913.03	\$1,345.86	\$334.48	\$433.04	\$28.60	\$6,055.01

2015 Economic value generated (in millions)	
COUNTRY	REVENUES
Australia	\$2,324
Ghana	\$937
Indonesia	\$1,645
Peru	\$1,071
United States	\$2,270
Total	\$8,246

2015 Economic value retained* (in millions)	
OUNTRY	TOTAL
ustralia	\$940
ihana	\$473
ndonesia	\$755
eru	\$18
nited States	\$5
otal	\$2,191

2015 Taxes and royaltie	es (in millions)			
COUNTRY	GOVERNMENT ROYALTIES	TAXES	TOTAL	PERCENT OF TOTAL
Australia	\$94.7	\$(149.2)	\$(54.5)	-12.6%
Ghana	\$31.9	\$28.6	\$60.5	14.0%
Indonesia	\$80.4	\$166.6	\$247.0	57.0%
Peru	\$2.5	\$190.4	\$193.0	44.6%
United States	\$0.0	\$(12.9)	\$(12.9)	-3.0%
Total	\$209.6	\$223.5	\$433.0	100%

Financial credits from governments received in 2015 totaled \$100.7 million. This includes \$39.2 million in Australia attributable to a diesel fuel rebate and \$60.1 million in Ghana due to value added tax rebates. We also received a \$96 million refund in the U.S. due to overpayment of taxes in 2008 and 2014.

#### **Future Focus**

The *Atlas*, which maps the linkages between mining companies and the sustainable development goals (SDG) of the United Nations' sustainable development agenda, is expected to be finalized in 2016. Newmont will review and assess the *Atlas* to evaluate opportunities for and approaches to integrating the SDGs into our sustainability strategy, management and reporting.

We will continue to regularly engage with national and local governments, trade associations, thought leaders and other stakeholders in the countries where we operate to encourage fair policies on benefit sharing; consistent and timely permitting procedures; transparent governance; business sustainability; and sound environmental practices. For example, we will engage with the government of Suriname to explore opportunities for supporting implementation of the EITI in Suriname.

#### YANACOCHA FOUNDATION PARTNERS FOR CAJAMARCA'S FUTURE

Between 2012 and 2015, Yanacocha invested \$13 million in a multi-pronged project – in partnership with the Cajamarca municipal water authority – to improve drinking water quantity, quality and supply reliability for around 180,000 people in the city of Cajamarca, increasing the availability of water by 30 percent.



This was one of many efforts that Yanacocha – through its Asociación Los Andes de Cajamarca (ALAC) foundation – has undertaken to partner with organizations and local government institutions to deliver sustainable development benefits in the region.

Since it was founded in 2004, ALAC has actively participated in and funded projects focused on improving water availability in Cajamarca and on developing the entrepreneurial skills, institutional capacity and human capital to benefit generations to come. One of the key lessons ALAC has learned over the years is the value that alliances and partnerships bring to programs and projects. Examples of these partnerships in action include:

- The National University of Cajamarca and ALAC along with the participation of more than 50 Cajamarca professionals created a new water management degree to develop the skills, knowledge and technical abilities of future water and environmental managers.
- The National Fund for Labor Training and Promotion of Employment (FONDOEMPLEO) and ALAC partnered to support programs for training and job opportunities, strengthening entrepreneurship and improving capacity for farmers.
- Through an agreement with Energia Desarollo y Vida (EnDev Peru) and with Hidrandina S.A. as executor, ALAC launched a program to install safe electricity systems for more than 700 families; train individuals on proper home electrical techniques; and educate the population on electrical safety.

ALAC also seeks public-private partnerships to develop infrastructure projects using local labor and material resources.



**FCONOMIC AND SOCIAL PERFORMANCE** 

# LOCAL EMPLOYMENT AND BUSINESS OPPORTUNITIES





**EXCEEDED** local procurement goal by \$68 MILLION

OPPORTUNITIES ABOUND AT MERIAN →

FROM TRAINEE TO TRAINER -

Home / Economic and Social Performance / Local Employment and Business Opportunities

# **Approach**

Through employing and procuring products and services from host community members, a gold mine can have a significant impact. Benefits are realized through skills development and lowered poverty levels. Effective local content strategies that are focused on hiring and sourcing locally provide resource-rich countries and regions a tremendous opportunity to achieve sustained growth and economic diversification. These policies also help build positive, long-term relationships and can provide business benefits through cost reductions and efficiency improvements. On the other hand, negative impacts can include rising local prices and growing income gaps between mine workers and nonmining populations. The right to an adequate standard of living is a salient human rights risk associated with our business activities.

Our commitment to provide local economic development opportunities is stated in our <u>Sustainability and Stakeholder Engagement Policy</u>. Guiding our approach is our Local Procurement and Employment Standard, which sets the minimum requirements to proactively plan, manage and monitor our performance throughout the mine lifecycle to ensure our operations create direct and indirect jobs and business opportunities.

We categorize businesses, contractors and employees based on attributes that designate them as either "local-local" (associated with the direct site impacted area); "local" (local to the area or region); or "national" (associated with the host country).

Using data from baseline studies and in consultation with stakeholders, all sites are required to develop plans that promote local employability and skills development; diversity of workforce; small business development for locals; and sustainable business opportunities. These plans define and prioritize objectives and are reviewed annually on their effectiveness and opportunities for improvement.

To align expectations and commitments, as well as community investment strategies, sites are required to regularly engage with local stakeholders regarding available job and procurement opportunities and the recruiting and procurement procedures we follow.

All suppliers – ranging from local specialized craftsmen to multinational conglomerates – must agree to meet our quality, terms, delivery, service and competitive pricing requirements, as well as conduct business in an ethical, environmentally sensitive and socially acceptable manner and undergo screening. In regions where there may not be enough qualified local suppliers, we work with governments and NGOs – as well as our current suppliers – to support and implement programs that help local businesses improve their capacity to be considered as suppliers to our projects and operations.

In consultation with host communities, we establish local employment and procurement targets and, where needed, offer training programs to develop the skills needed for employment at the mine and as suppliers to the mine.

#### 2015 Performance

# **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 2015.

Workforce composition			
	NATIONAL	LOCAL	EXPAT
Employees	64%	35%	1%
Contractors	40%	59%	1%

Local and national representation (en	nployees)			
	EXPAT	LOCAL	NATIONAL	TOTAL
Senior management	17	1	119	137
Management	51	341	1,245	1,637
Non-management	43	562	1,954	2,559
Hourly	0	3,614	5,080	8,694
Total	111	4,518	8,398	13,027

Local and national representation (as a percentage of total employees)				
	EXPAT	LOCAL	NATIONAL	TOTAL
Senior management	0.13%	0.01%	0.91%	1.05%
Management	0.39%	2.62%	9.56%	12.57%
Non-management	0.33%	4.31%	15.00%	19.64%
Hourly	0.00%	27.74%	39.00%	66.74%
Гotal	0.85%	34.68%	64.47%	100.00%

In 2015, we formalized our process and gathered baseline data based on our performance during the year to inform the targets we set for 2016.

201	5 Local employ	yment performance
REGION	SITES	2015 LOCAL EMPLOYMENT PERFORMANCE
Africa	Ahafo Akyem	At the end of 2015, local community members represented 42 percent and 46 percent of the total workforce (inclusive of contractors) at Ahafo and Akyem, respectively. The longer-term employment commitment at our Akyem operation is 50 percent within 10 years of commencing operations.
Asia Pacific (APAC)	Boddington KCGM Tanami	Employment targets are part of our Aboriginal Employment Strategy in Australia. At the end of 2015, aboriginal employment at Boddington, KCGM and Tanami totaled 74, 28 and 89 individuals, respectively. Overall aboriginal employment across the business increased 4 percent compared to 2014.
	Batu Hijau	At our Batu Hijau operation in Indonesia, employment was 42 percent local-local, 29 percent local and 29 percent from other parts of the country in 2015.
North America	All sites	We strive to track Native American employment, but this is difficult, as U.S. law does not require employees to disclose ethnicity. In 2015, we attended community meetings to promote employment opportunities and held meetings on how to apply for jobs at our Long Canyon project. We also promoted available jobs with the Native American Bands in our area of operation.
South America	Yanacocha	Residents from Cajamarca represented 62 percent of Yanacocha's workforce in 2015, up from 61 percent in 2014. About 94 percent of our managerial employees are Peruvian nationals.

Activities in 2015 to fulfill our local employment goals and commitments include:

- In Ghana, 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 520 graduates since the program began in 2005, Newmont currently employs 500.
- At the Akyem operation in Ghana, we introduced a learnership program to create opportunities for local community members to gain experience in mine processing and operations. In 2015, 20 local community members enrolled in the six-month program.
- At our Tanami operation in Australia, the Yapa crew conducts various work including flora and fauna control management, housekeeping and village maintenance. The crew comprises local Warlpiri people who work on a permanent-casual basis, which gives them the flexibility to participate in the workforce and also be available for cultural commitments.
- Both Boddington and Tanami have programs to engage indigenous job seekers and increase employment. Tanami's Indigenous Training and Familiarization Program (ITFP) trains participants over three months, and those who successfully complete the program are offered a full-time position. Participants in Boddington's 12-week Gnaala Work Ready program combine certification training with practical work experience at the mine. Upon completion of the program, participants may apply for full-time traineeship in our mining or processing operations. Both of these programs continued throughout 2015 with successful employment outcomes.
- In Indonesia, we signed an agreement with the local government to develop a training program that prepares local community members for working at the Batu Hijau operation when positions become available.
- For the second year in a row, Yanacocha's internship program continued to build an entry-level talent pipeline for professional roles. At the end of 2015, 93 percent of the interns were Cajamarquinos.
- At our Merian project in Suriname, we follow a local recruitment process that ensures those from within Pamaka communities and/or of Pamaka ancestry receive preferential consideration for the range of skilled, semi-skilled and unskilled positions. The process primarily focuses on local hiring for the longer-term positions that are expected to transition to the operations stage. By the end of 2015, Merian's workforce reached more than 2,600 as construction on the project reached peak activity. Of the total operations workforce (non-construction) of approximately 730, more than 200 employees are of Pamakan ancestry, of which 38 percent are women. More than 660 employees are Surinamese nationals.

On average, we pay employees classified as hourly and non-exempt (in the U.S.) wages that are significantly higher than the minimum wage in their respective countries, particularly at our operations located in rural and developing economies.

Average s	salary compare	ed to minimum	wage by country		
COUNTRY	FEMALE AVERAGE SALARY	MALE AVERAGE SALARY	MW VALUE/YEAR (US\$)	RATIO OF AVERAGE NEWMONT SALARIES FOR FEMALES TO LOCAL MINIMUM WAGE	RATIO OF AVERAGE NEWMONT SALARIES FOR MALES TO LOCAL MINIMUM WAGE
Australia	\$84,637.02	\$105,418.08	\$25,619	330%	411%
Ghana	\$19,543.81	\$20,278.79	\$491	3,977%	4,127%
Indonesia	\$10,280.51	\$8,652.31	\$1,095	939%	790%
Peru	\$35,339.96	\$32,626.63	\$2,790	1,267%	1,169%
United States	\$82,016.68	\$82,218.40	\$15,080	544%	545%

# **Local Procurement and Capacity Building**

In 2015, we further strengthened our approach and commitment to local procurement. Through ongoing engagement with stakeholders, we gathered baseline data based on our performance during the year to inform the targets we set for 2016.

Globally, we set a total local spend goal of \$500 million, which we exceeded by around \$68 million.

REGION	LOCAL PROCUREMENT SPEND	LOCAL SPEND AS % OF TOTAL SPEND	NATIONAL SPEND	NATIONAL PROCUREMENT SPEND AS % OF TOTAL SPEND
(in millions US\$)				
Africa	\$18.8	2%	\$373.5	8%
Asia Pacific (APAC)	\$140.8	12%	\$765.3	15%
Indonesia	\$39.1	6%	\$421.0	9%
North America	\$259.9	23%	\$807.3	16%
South America	\$108.8	17%	\$530.8	11%
Total	\$567.3	11%	\$2,897.8	59%

Among the numerous local supplier capacity building initiatives we engaged in at our sites during 2015:

- Our Ahafo operation held a workshop for around 130 local-local businesses aimed at helping them operate a safe, ethical and responsible business.
- During the year, our Batu Hijau operation refreshed its local business initiative to bring a greater focus on developing local businesses that provide specialized services for the mine.
- Our Yanacocha operation in Peru helped finance two educational courses aimed at building the capacity of local entrepreneurs. In addition, Yanacocha is working to improve the transparency of its contracting process by publishing details such as the suppliers involved in the bidding process and the results of the bidding process.
- At our Merian project in Suriname, we conducted a training workshop for site personnel on local procurement, capacity building and community relations as we prepare for commercial production in late 2016.

#### **Future Focus**

Our external local employment and procurement targets for the following year are determined at the end of the year within our business planning process to ensure opportunities align to the needs of the business. Our global external targets for 2016 are as follows:

Local employment		
REGION	SITE	2016 LOCAL EMPLOYMENT TARGET
Africa	Ahafo	24 percent local-local workforce (including contractors)
	Akyem	35 percent local-local workforce (including contractors)
Asia Pacific (APAC)	Boddington	Increase aboriginal workforce by $8$ individuals (including contractors)
	KCGM	Increase aboriginal workforce by 3 percent
	Tanami	Increase aboriginal workforce by $10$ individuals (including contractors)
	Batu Hijau	45 percent local-local
North America	All	No local employment target has been set for North America as the workforce is largely from the local area. We will continue to promote employment opportunities to Native American communities while also evaluating methods to more accurately track Native American employment.
South America	Yanacocha	62 percent local employees

Local procurement		
REGION	SITE	2016 LOCAL PROCUREMENT TARGET
Africa	Ahafo	\$16 million – the decline in the local procurement target compared to 2015 actuals reflects an expected reduction in the aggregate spend for 2016.
	Akyem	
Asia Pacific (APAC)	Boddington	<b>\$72 million</b> – the decline in the local procurement target compared to 2015 actuals reflects the in-sourcing initiative underway at Boddington, which is expected to result in significantly less spend on local contractors, but an increase in local employment.
	KCGM	
	Tanami	
	Batu Hijau	\$36 million – the target assumes normalization of operations and continued ability to export.
North America	All	\$220 million – local procurement for the Cripple Creek & Victor mine is not included in the 2016 target as work to fully integrate CC&V into Newmont processes continues into 2016.
South America	Yanacocha	\$85 million – the decline in the local procurement target compared to 2015 actuals reflects an expected reduction in the aggregate spend for 2016.

We will continue to build upon our local content programs by working closely with local community leaders, NGOs and local chambers of commerce to help develop capabilities of local suppliers and identify opportunities to increase local procurement.

With the Merian project in Suriname expected to reach commercial production in late 2016, we will be focusing on establishing employment policies and processes to maximize local employment and national candidates at all levels and giving preference to the most impacted demographic (Pamakan). Areas of focus include:

- A formal training program tailored to needs of the business and the capabilities of the local workforce with a focus on developing local employees into skilled roles;
- The establishment of formal targets and benchmarks for local employment and procurement shortly after entering the commercial production phase.

#### FROM TRAINEE TO TRAINER - OPPORTUNITIES ABOUND AT MERIAN

In 2014, Ludowic Deel started working in the Camp Services department as an Accommodation Clerk for Surgold, the Newmont subsidiary developing the Merian gold mine in Suriname. At the time, Ludowic – known by his friends and colleagues as Ludo – was responsible for registering and checking in workers and guests staying at the Merian project's campsite.



This entry-level hospitality position was initially a good fit for Ludo – he is from the local Pamakan village, and he and his family have long been small-scale miners in the area. However, Ludo quickly demonstrated that his knowledge, natural leadership abilities and willingness to do more were skills that could have a larger positive impact at Surgold.

Today, Ludo is a Trainer in Surgold's Learning and Development (L&D) department where he transfers the insights and lessons he has learned to new employees, who are also largely from the nearby villages and other parts of Suriname.

"I am from a Maroon community deep in the tropical rainforest of Suriname, and I worked as a small-scale miner learning from my father as early as age 10 on school holidays," said Ludo. "When I heard about Surgold, I wanted to gain experience at a larger mining company. Working at Surgold was interesting right from the start. I love it here. There are many different types of people working together, and you don't see that very often."

Ludo's story is just one of many where Pamakans have moved up the ranks at Surgold. Contributing to this success are a number of commitments Surgold made early in the project's development stage:

- *Understand the community* Surgold conducted extensive studies over many years to understand the community, the current skills available and how best to address gaps in skills needed for the mine.
- Engage and gather feedback Regular and ongoing engagement with local stakeholders included education on the impacts and opportunities of the mine, to help develop a mutual understanding of each other's needs and expectations.
- Coordinate and cooperate Merian's hiring process is a blueprint for how different departments within the company such as Community Relations and Human Resources can effectively collaborate to achieve a number of goals.

Finally, Surgold's management team championed a culture of diversity and demonstrated strong support for providing opportunities by taking the time to train and develop those who are most impacted by the future mine.



**ECONOMIC AND SOCIAL PERFORMANCE** 

# COMMUNITY INVESTMENTS



**LEAVING A LASTING LEGACY** 

THROUGH EDUCATION →



Signed a new three-year partnership with PROJECT C.U.R.E. to deliver donated medical supplies to developing countries



Home / Economic and Social Performance / Community Investments

# **Approach**

Community investments go beyond our obligations to mitigate or compensate for the environmental and social impacts caused by our activities. Investments – particularly ones that are well designed and align with both Newmont's business strategy and the communities' development priorities – help build long-term relationships based on trust, and can catalyze long-term socio-economic development and minimize dependency on the mine during operations and upon closure. On the other hand, unfulfilled commitments create distrust and are often the source of tension between the mine and the community.

Our commitment to engage with host communities to create shared value is stated in our Sustainability and Stakeholder Engagement Policy. Guiding our approach to equitably improve quality of life and align with our principles of transparency and shared value is our Community Investment and Development Standard.

This standard requires sites to use existing baseline studies, assessments and government development plans, along with robust community engagement, to identify investment opportunities that can be catalysts for self-determined development.

Each site collaborates with relevant stakeholders 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, many of our operations – in Ghana, Indonesia, Peru and Nevada – have established community foundations or funds that aim to provide an effective, strategic framework to ensure community investments deliver on their full potential and continue after mining operations cease. Engagement with communities is crucial to understanding their specific needs. For example, both the Newmont Ahafo and Akyem foundations have a Board of Trustees that includes community members to ensure community ownership and participation in the foundation's efforts. While each foundation or fund is unique, investments generally focus on capacity building, community health and education, infrastructure development and livelihood and skills building.

A community commitment is made when a Newmont representative voluntarily commits to deliver goods and/or services (cash or in-kind) to external stakeholders. For all commitments, a transparent process is used to document and review each contribution to ensure compliance with the Partnering Against Corruption Initiative (PACI), Foreign Corrupt Practices Act (FCPA) and U.K. Bribery Act requirements. All sites track registration and implementation of commitments.

Because our presence in the community can be long term and we cannot be the sole source of development, we seek multi-stakeholder partnerships with NGOs, development organizations and government agencies to lend expertise and to ensure programs effectively address local challenges. The International Council on Mining and Metals' (ICMM) "Mining: Partnerships for Development Toolkit" is one tool we use to help identify those partners that are best for addressing the issues, policies and practices that may be helping or preventing development in our host communities.

# 2015 Performance

Newmont invested a total of more than \$28 million globally in 2015 to support a wide range of community investments.

The Newmont Ahafo Development Foundation (NADeF) supports development projects in the 10 communities near the Ahafo mine in Ghana. In 2015, Newmont contributed approximately \$2.3 million to NADeF, bringing our total contribution since 2006 to \$28 million. In collaboration with the host communities, in 2015 NADeF launched a five-year comprehensive education project aimed at transforming the quality and standard of education in the nearby communities.

The Newmont Akyem Development Foundation (NAkDeF), which has a similar structure to NADeF, supports development in the communities near the Akyem mine in Ghana. Newmont contributed nearly \$2.8 million to NAkDeF in 2015. In 2015, NAkDeF awarded more than 900 scholarships to students in the mine's 10 host communities. Local leaders selected scholarship recipients from primary, junior and senior high school applicants. In addition to school infrastructure improvement projects, NAkDeF awarded grants for health, cultural, and economic infrastructure projects.

At Newmont's operations in Australia, we invested about \$940,000 in 2015 toward projects to support the long-term benefit of the communities. Contributions were largely directed toward supporting education, promoting tourism, and celebrating indigenous cultures. We continued our long-term support for the South Australian Museum, which includes the world-renowned Australian Aboriginal Cultures Gallery, and we were the principal sponsor of the 2015 Run for Reconciliation, which aims to bring together indigenous and non-indigenous people to promote reconciliation and raise awareness.

At Batu Hijau in Indonesia, Newmont donated about \$6.5 million toward community development, including \$400,000 to our two foundations – the Olat Parigi Foundation (YOP), which is managed by community-elected members, and the West Sumbawa Economic Development Foundation (YPESB). In November, we sponsored the Mantar Fly for Charity paragliding competition, which was held in Mantar Village, a local village at high elevation. The competition, which attracted a number of top pilots from around the world, raised money for charity and was seen as an opportunity to promote tourism and attract paragliders to the area.

In Nevada, the Newmont Legacy Fund encompasses three key components: an employee-giving campaign that is matched dollar-for-dollar by Newmont; a community investment program; and a community endowment fund that will assist in meeting future community needs. In 2015, Nevada employees pledged more than \$1 million to the Newmont Legacy Fund, and Newmont plans to contribute around \$1.25 million to nonprofits throughout northern Nevada in 2016.

Yanacocha established the Asociación Los Andes de Cajamarca (ALAC) foundation in 2004 to forge public and private partnerships that support sustainable development in the Cajamarca region. In 2015, the Peruvian Ministry of Education recognized ALAC for the second year in a row for improving education in the region. ALAC conducted an external review of a five-year education project – Integral School Networks – in which ALAC, the Cajamarca Regional Education Department, IPAE (a national training institution for entrepreneurship), and the nonprofit Empresarios por la Educación partnered to support nearly 5,000 students from first grade through sixth grade. The findings from the review, which were published at the end of the year, found the project contributed to an 87 percent increase in the pass rate and a 12 percent reduction in the dropout rate compared to the control group.

In 2015, Surgold and the Pamaka community advanced negotiations on the establishment of a community development fund. The fund is designed to support the sustainable development goals of the Pamakans.

On a global level, we continued our decade-long partnership with Project C.U.R.E. – an international humanitarian relief organization – to deliver donated medical equipment and supplies to healthcare facilities near our operations.

In 2015, Newmont and Project C.U.R.E. signed a new three-year partnership agreement, which calls for Newmont to contribute \$200,000 annually for the next three years toward Project C.U.R.E.'s global healthcare efforts – such as its Helping Babies Breathe neonatal resuscitation program – and for Newmont's commitment to deliver donated medical supplies worth \$8 million to health facilities in developing countries including Ghana, Indonesia, Peru and Suriname.

2015 Community investme	nts by country		
(THOUSANDS)	MONETARY COMMUNITY INVESTMENT	TOTAL IN-KIND SUPPORT	TOTAL
Australia	\$941.8	\$168.4	\$1,110.1
Ghana	\$6,375.0	\$212.3	\$6,587.3
Indonesia	\$6,483.2	\$0.0	\$6,483.2
Peru	\$6,987.7	\$613.8	\$7,601.5
United States	6,133.3	\$652.0	\$6,785.3
Total	\$26,921.0	\$1,646.5	\$28,567.5

(THOUSANDS)	MONETARY COMMUNITY INVESTMENTS	IN-KIND COMMUNITY INVESTMENTS	TOTAL
Civil projects	\$970.8	\$33.8	\$1,004.6
Community capacity building	\$3,429.2	\$426.6	\$3,855.8
Education	\$3,163.4	\$71.3	\$3,234.7
Farming	\$1,853.8	\$13.5	\$1,867.3
Health	\$2,047.6	\$79.3	\$2,126.9
Public infrastructure	\$5,453.3	\$701.8	\$6,155.1
Other activities	10,003.1	\$320.3	\$10,323.4
Total	\$26,921.0	\$1,646.5	\$28,567.5

We engaged community development specialists from Chemonics International and the CSR Training Institute to review and provide input on guidance tools that we launched in 2015 to help sites and regions adhere to our Community Investment and Development Standard.

In addition, we completed a baseline assessment of commitment authorization procedures and parameters used to track commitments across all sites. The assessment will serve as the basis for the development of an auditable community commitments process.

# **Future Focus**

We will continue to focus on how to further advance our community development efforts, including training; developing a more strategic, long-term approach at the site level; and sharing best practices and lessons learned across the Company.

To continuously improve our community commitments process, we established the following external targets to measure and report against:

<b>O</b> Con	nmunity commitments targets	nts targets	
YEARS	TARGET DEFINITION	TARGET FOR SITES	TARGET FOR NEWMONT
2016	Implementation of a community commitments process	Implementation of an auditable process for capturing community commitments; commitments are registered	100 percent of sites have completed the implementation
2017	Commitments completed on or before due dates as captured in register	90 percent completion of community commitments* on or before due date	100 percent of sites achieve the annual site targets
2018	Commitments completed on or before due dates as captured in register	95 percent completion of community commitments on or before due date	100 percent of sites achieve the annual site targets

In Suriname, negotiations with the Pamaka community on an agreement that addresses eight key areas of focus – participatory monitoring, preferential employment, preferential procurement, feedback, complaints and grievances mechanism, small-scale mining, safety, communication, and the creation of a community development fund – are expected to conclude in 2016.

Recognizing the need for a more holistic understanding of how Newmont supports educational and health development across all our sites, in 2016 we plan to conduct a baseline assessment of our community and health programs. This assessment will help inform case studies and efforts to improve our performance.

#### LEAVING A LASTING LEGACY THROUGH EDUCATION

Education has the power to address some of society's most significant problems, notably illiteracy, poverty, lack of skills, inequality, food insecurity and poor healthcare. For this reason, we invest in educational programs that aim to improve equality and the quality of life in the communities where we operate.



The programs are customized to meet the needs of each unique community. Examples of the programs we support include:

#### **Basic education**

In 2015, the Newmont Ahafo Development Foundation (NADeF) at our Ahafo operation in Ghana launched a five-year project aimed at transforming basic education in the mine's 10 host communities. The project – called Quality Improvement in Basic Schools Project (QUIBS) – includes grants, infrastructure, teacher training, and other programs aimed at improving the standard of education.

#### **Scholarships**

Since 1998, our Batu Hijau operation in Indonesia has awarded more than 11,000 scholarships to students who reside in the communities near the mine. While the four scholarship programs vary by education level and residency requirements, all aim to support continuous learning opportunities and encourage excellence in academic achievement.

#### Entrepreneurship

For the Asociación Los Andes de Cajamarca (ALAC) – the community foundation of our Yanacocha operation in Peru – education is considered a key contribution toward sustainable development. ALAC recently launched the Young Entrepreneurs in Cajamarca program, which seeks to improve education through developing the

entrepreneurial skills of secondary students and establishing programs, such as mentoring and internships, between educational institutions and businesses.

#### Indigenous education

Each year, the Boddington mine in Australia awards Kalyagool Kadadjiny Scholarships to aboriginal students enrolled in full-time studies. "Kalyagool kadadjiny" means, "always thinking, listening and learning" in the Noongar language, reflecting the scholarship's intent to support continuous learning opportunities. In 2015, one of the two scholarship recipients began vacation work (internship) with Newmont.

Finally, Surgold's management team championed a culture of diversity and demonstrated strong support for providing opportunities by taking the time to train and develop those who are most impacted by the future mine.



**ECONOMIC AND SOCIAL PERFORMANCE** 

# **COMMUNITY RELATIONSHIPS**



Case Study

BRINGING DIFFERENT

PERSPECTIVES TOGETHER TO

ADDRESS CONCERNS →



Implemented a more CONSISTENT complaints and grievances (C&G) PROCESS

RESOLVED 95% of C&Gs within 30 DAYS

Home / Economic and Social Performance / Community Relationships

# **Approach**

Our presence in a community can span decades. Building and sustaining relationships based on mutual respect and trust is vital to not only the sustainability and success of our business, but also the ability to meaningfully contribute to the social and economic development of the host community. Relationships marked by conflict, on the other hand, are hard to repair and can negatively impact the business's financials and reputation as well as the socio-economic development of the community.

Our Sustainability and Stakeholder Engagement Policy outlines our commitment to building long-term relationships based on trust. This policy is supported by our Stakeholder Relationship Management Standard as well as our Social Baseline and Impact Assessment Standard, which details the minimum requirements to plan, manage and monitor our performance throughout the mine lifecycle.

Our social responsibility strategy guides our efforts to obtain and maintain long-term social acceptance over the mining lifecycle. The strategy seeks to provide the framework to align and enhance already existing best practices, focus on where improvement is most needed, and better integrate social responsibility – such as hiring and procurement in local communities – into the broader business.

Reflected in our policy and standards are the lessons and guidance from the Community Relationships Review (CRR), an independent global assessment of Newmont's relationships with host communities. This report, which was published in 2009, was the first of its kind commissioned by a mining company that offered detailed, transparent and honest feedback from community stakeholders.

Among the lessons from the CRR is the importance of assessing the risks and building a more comprehensive understanding of the impacts our operations have on communities. Our updated standards detail the requirements for conducting and/or updating baseline studies and impact assessments that help inform our approach to working with communities to identify opportunities for socio-economic development and improve the communities' long-term outlook. These assessments also inform our country risk management framework.

Most of these assessments are conducted by external, independent experts throughout the stages of our presence in a community 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.

Addressing stakeholder concerns in a timely and effective manner is critical to avoiding conflict and building long-term relationships based on trust. All sites are required to maintain a complaints and grievances (C&G) register and ensure stakeholders are informed and trained on how to use our C&G mechanism, which is based on a three-tier system. 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.

# 2015 Performance

At the end of 2015, 100 percent of our sites and projects had a social impact assessment (SIA) in place. All sites – with the exception of the Phoenix operation in Nevada – have conducted an SIA within the last five years. Phoenix, which conducted a perception study in 2014, plans to conduct an SIA in 2016.

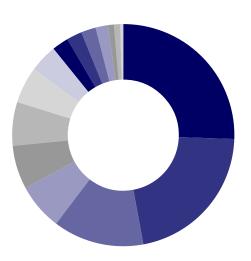
In 2015, we updated our complaints and grievances (C&G) process to categorize complaints in a consistent manner across all sites and to require those C&Gs that have – or potentially have – human rights implications to be categorized as such. Among our significant locations of operations, a total of 1,108 C&Gs were registered in 2015, and 1,059 were resolved during the year, including two that filed prior to 2015.

- While we made notable progress to improve our C&G process, we did not achieve our global external target for 100 percent of sites to resolve at least 87 percent of tier 1 C&Gs within 30 days.
- Of the 10 operating sites and two projects with C&G registers, three sites and one project had no formal complaints, five sites resolved 93 percent or more of tier 1 C&Gs within 30 days, while two operating sites and one project did not meet the target to resolve 87 percent of tier 1 C&Gs within 30 days.
- Of the total number of C&Gs, 94.8 percent of the complaints were tier 1, 3.8 percent tier 2 and 1.4 percent tier 3.
- The average resolution time for all C&Gs was 8.4 days.

REGION	NUMBER	RESOLVED WITHIN 30 DAYS
Asia Pacific	373	97%
Africa	460	96%
Indonesia	36	67%
North America	3	75%
South America	236	96%
Total	1,108	95%

# 

#### 1,108 Total complaints YTD



- Compensation/accounts payable
- Blast event
- Business partners (contractors)
- Property/land access
- Resettlement
- Vibration
- Workforce behavior
- Employment/procurement
- Noise
- Air
- Other
- Water
- Community investment
- Human rights
- Cultural/heritage sites

\* Note: These numbers represent the total number of complaints and grievances registered with Newmont in 2015. The totals include our Merian project in South America, and a partial year of data from our Waihi operation in New Zealand before it was divested in October 2015.

CATEGORY	COMPLAINTS
Compensation/accounts payable	286
Blast event	241
Business partners (contractors)	148
Property/land access	76
Resettlement	71
Vibration	71
Workforce behavior	60
Employment/procurement	45
Noise	27
Air	25
Other	24
Water	20
Community investment	8
Human rights	6
Cultural/heritage sites	0

Regional community engagement highlights for 2015 include:

- In Ghana, the Ghana Environmental Protection Agency held public hearings to gather input and comments from community members on Newmont's proposed Ahafo Mill Expansion.
- Newmont hosted faith-based leaders for site tours in Peru and Ghana, with a goal to better understand stakeholders' perspectives on the positive and negative impacts of mining and to raise awareness of our sustainability efforts and commitments and performance.
- At our Batu Hijau mine in Indonesia, we conducted extensive engagement with employees and local community members to encourage civic participation while maintaining Company neutrality in advance of the regional elections that took place in December 2015.
- In Nevada, we engaged with federal, state and local government officials on our Sagebrush Ecosystem Conservation Program, which is designed to protect a broad range of local plant and animal species.
- To help resolve a complex land dispute in Peru, we brought in independent experts to form an advisory panel to evaluate compliance with international best practices and assess allegations of human rights violations.
- Surgold and members of the Pamaka community in Suriname met to discuss the establishment of a cooperation agreement that includes roles, responsibilities and practices regarding local employment and procurement; a complaints and grievances mechanism; environmental monitoring; communications; small-scale mining and health and safety matters; and a community development fund to promote socio-economic development.

We began implementation of our social responsibility strategy in 2015 and launched training in Ghana, Nevada, Suriname and Peru on dialogue techniques such as active listening and responding in ways to advance the conversation and interaction.

# **Future Focus**

Demonstrating our commitment to continuous improvement in addressing concerns before conflicts arise, we established global external targets for complaints and grievances (C&G) for 2016 and 2017:

YEARS	TARGET DEFINITION	TARGET FOR SITES	TARGET FOR NEWMONT
2016	Percent of tier 1* C&Gs closed (defined as handling complaints that may be resolved between	90 percent	100 percent achievement of site targets
2017	the site and the complainants) in a 30-day period	93 percent	100 percent achievement of site targets

To meet our 2016 C&G target, additional support will be provided, particularly to those sites that did not meet their 2015 target. We also will launch a social responsibility community of practice (COP) to facilitate the exchange of ideas and provide support across sites on a number of topics, including C&Gs.

In 2016, training will be conducted with teams on the ground that regularly engage with local stakeholders, as well as with members of senior management who are also often involved in these interactions.

#### BRINGING DIFFERENT PERSPECTIVES TOGETHER TO ADDRESS CONCERNS

In Cajamarca, Peru, representatives from Newmont's Yanacocha operation attended the "Opportunities for Sustainable Environmental Management in Cajamarca" in 2015. This forum brought together local, regional and national authorities, academia, civil society organizations, professionals, entrepreneurs and mining sector representatives to discuss opportunities for protecting the environment and contributing to sustainable development in Cajamarca.



The event marked an important step toward meaningful engagement and dialogue in a region that has experienced social unrest related to resource development. All participants were offered the opportunity to discuss their viewpoints and debate a number of complex matters.

During the forum, Yanacocha restated its commitment to operate in a transparent and environmentally responsible manner and contribute toward Cajamarca's development.

"The forum's main achievement was to begin a much-needed dialogue on how to work together to achieve sustainable development and protect and manage Cajamarca's most important resource, which is water," said Javier Velarde, Vice President, General Manager and Corporate Affairs for Yanacocha. "There is much more to do, but events like this help build trust and engage on a more constructive level."



**ECONOMIC AND SOCIAL PERFORMANCI** 

# INDIGENOUS PEOPLES



Case Study
NEWMONT GROWS RELATIONSHIP
WITH INDIGENOUS-OWNED
ENTERPRISE →



Formed an EXPERT ADVISORY PANEL at Merian to review on-the-ground practices and alignment with FPIC PRINCIPLES



Home / Economic and Social Performance / Indigenous Peoples

# **Approach**

Building broad social acceptance and meaningful relationships with all stakeholder groups is essential to our business success. With six operations and two projects on or adjacent to land owned or claimed by indigenous peoples and exploration activities around the world, the rights of indigenous peoples is one of our salient human rights issues. Deepening our understanding of indigenous peoples and supporting and engaging with them are key to managing our risks and opportunities.

Our commitment to recognizing the unique rights and social, economic and cultural heritage of indigenous peoples and their distinct interests and concerns is stated in our Sustainability and Stakeholder Engagement Policy. This policy also reflects the International Council on Mining and Metals (ICMM) position statement to work to obtain free, prior and informed consent (FPIC) of indigenous peoples.

Our Indigenous Peoples Standard defines how we will work to obtain the consent of indigenous peoples for new projects (and changes to existing projects) on lands traditionally owned, or customarily used, by indigenous peoples. Through the principles of FPIC, indigenous peoples are able to freely make decisions without coercion, intimidation or manipulation; they are given sufficient time to be involved in project decision making before key decisions are made and impacts occur; and they are informed about a project and its potential impacts and benefits.

Newmont is an active participant in RESOLVE's FPIC Solutions Dialogue, which brings together companies, NGOs and community leaders to help translate FPIC into site-based practices. The initiative supports pilot testing and case studies at sites as well as international workshops on specific issues.

Through programs that provide employment and business development opportunities, training and education, and cultural heritage support, we also aim to create benefits for indigenous peoples who are the traditional owners of the land on which we conduct mining activities or who reside on or near our operations.

Click on the map below to learn more about the indigenous groups with whom we engage:

# **Indigenous Groups Near Our Operations**



# Australia - Gnaala Karla Booja

The Gnaala Karla Booja people are the traditional owners of the land where we operate the Boddington mine in Western Australia. In 2006, Newmont and Gnaala Karla Booja claimants entered into a Community Partnership Agreement (CPA). The agreement details commitments related to engagement, preservation of cultural sites and heritage and capacity building for the Gnaala Karla Booja through education and training, employment and business opportunities.

# Australia - Warlpiri

The Warlpiri people are the owners and traditional custodians of the land on which our Tanami mine in Australia's Northern Territory is located. Newmont operates in the region through agreements with the Central Land Council (CLC) – which represents the Warlpiri people in land dealings with Newmont and has statutory authority under the federal Aboriginal Land Rights Act. Along with regular, ongoing engagement with the CLC, we commenced work with the CLC in 2015 to develop a long-term partnership strategy for indigenous employment and business benefits.

# Australia - Ninga Mia

The Ninga Mia community resides near our KCGM joint venture operation in Kalgoorlie. KCGM – along with other private organizations, government entities and individuals – is a co-signer to the "Dignity, Respect and Fulfillment Agreement" memorandum of understanding with the Ninga Mia. The agreement sets out a vision to create better working relationships between indigenous and non-indigenous leaders, organizations and individuals.

### **United States - Western Shoshone**

The Western Shoshone tribes are indigenous to the Great Basin region in which Newmont's Nevada operations reside. Newmont has adopted an engagement approach including the development of a dialogue working group that comprises tribal leaders and Newmont representatives and includes a Native American facilitator. The purpose of the group is to foster transparent dialogue and discuss outcomes on key issues including education, cultural heritage, archaeology, community investment, health and wellness, and Newmont operations and projects.

# United States - Confederated Tribes of the Goshute Reservation ("Goshute")

The Goshute are also indigenous to the Great Basin region, specifically along the Utah-Nevada border where Newmont's Long Canyon project is located. In 2015, the Confederated Tribes of the Goshute Reservation (CTGR) filed an appeal with the U.S. Bureau of Land Management (BLM) regarding the Record of Decision (ROD) for Newmont's Long Canyon project. The CTGR filing cited concerns about the mine's impact on cultural resources. While the Interior Board of Land Appeals is still investigating the appeal, we are actively engaged with tribal leaders and members and working with tribal monitors representing the CTGR and Western Shoshone to ensure that cultural resources are properly identified and managed within the site.

#### Suriname - Pamaka Maroon Tribe of the Marowine River

The Merian project in Suriname is located on the traditional lands of the Pamaka tribal group, and we engage extensively with the people of the tribe. We are implementing an engagement and agreement-making approach with the Pamaka based on the principles of FPIC. We signed a letter of intent (LOI) with the Pamaka in 2013 that states we recognize and respect each other's rights and will work together on commitments – such as employment, community development and participatory monitoring – related to development of the Merian project.

# 2015 Performance

In 2015, we fully aligned our policy frameworks with the ICMM's Indigenous Peoples and Mining position statement. Most notable in this effort was the implementation of our Indigenous Peoples Standard, which defines the minimum requirements to engage with indigenous peoples, reach agreements related to development, assess and manage impacts and report on our performance.

Number of Newmont operations situated on or adjacent to any land over which an indigenous group

Claims use rights or ownership\*

Number of sites that have formal agreements with indigenous communities†

3

\* These numbers decreased from the previous year due to the divestiture of the Waihi operation and categorizing Nevada as three operations instead of four as was done in 2014.

† We have formal agreements with indigenous communities in jurisdictions where required by law. In areas where standardized frameworks do not currently exist, we work with indigenous communities and other key stakeholders to determine the best approach. If that translates into working together to reach a formal agreement with them, then we will do so.

Along with conducting a gap analysis at each site in which action plans were formed, we developed guidance in line with the ICMM position statement to help sites perform against the standard's requirements by 2016.

In addition to our awarding two university scholarships to aboriginal students in 2015, eight participants graduated from our Boddington operation's Gnaala Work Program, which combines certification training with practical work experience at the mine. All graduates were offered positions with the Boddington mine.

In 2015, our Tanami operation and the Central Land Council (CLC) entered into an agreement for Newmont to provide funding over the next three years for a CLC community development officer. The officer's role will be to increase engagement with women and youth and support implementation of the CLC's community development program, which seeks to identify and implement community development projects to improve community living for aboriginals. In addition, Newmont provided support for a CLC-run project to convert the Southern Tanami Indigenous Protected Area (STIPA) management plan – which covers the largest terrestrial protected area in Australia – into a digital storybook for Warlpiri traditional owners. The project aims to increase interest among the Warlpiri people in the management plan and related land management employment opportunities.

At our Nevada operations, Newmont advanced its involvement in quarterly Native American dialogue group discussions. Participants include tribal members from Western Shoshone communities located near Newmont operations as well as tribal members from the Confederated Tribes of the Goshute Reservation. Facilitated by a third party, the purpose of the dialogue group discussions is to provide education about tribal customs and cultural history as well as mining as a business and related aspects of health and safety, environmental stewardship, social responsibility, and operation or project activities.

At the Merian project, we carried out activities in accordance with the LOI with the Pamaka, including local hiring. To help Newmont apply best practices and inform practical thinking around FPIC principles at Merian, we formed an expert advisory panel (EAP) to review our on-the-ground practices and assist in identifying opportunities for improvement. The panel will observe the community engagement processes and outcomes between Surgold and the Pamaka with a view toward alignment with FPIC principles.

After Pamaka community members peacefully demonstrated by blocking a public road used to access the Merian site, Surgold leaders met with the leaders of the community and members of the Pamaka negotiating committee (POC) to address concerns and strengthen the dialogue process to avoid future conflicts.

# **Future Focus**

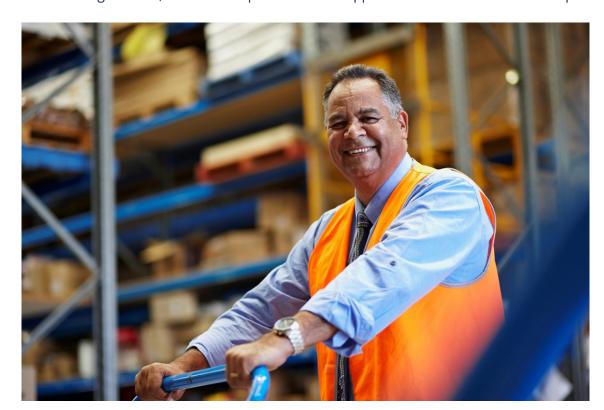
Sites where indigenous people live on or near operations must develop an implementation plan and begin measuring their performance against the Indigenous Peoples Standard by 2016.

The Merian expert advisory panel (EAP), which was formally constituted at the end of 2015, will provide Newmont with external expert views; help Newmont assess alignment between the implementation of our social responsibility standards and FPIC principles; recommend criteria to help evaluate progress; and help Newmont evaluate which engagement mechanisms, community relations practices, and community-level agreements can best contribute to ongoing alignment with FPIC policies during the life of the operation. EAP members plan to visit Merian in 2016, and lessons learned will be shared through the RESOLVE FPIC Solutions Dialogue initiative.

At our Tanami operation, an external group will facilitate a strategic planning exercise in 2016 between Newmont and the Central Land Council to help define long-term success for the Warlpiri people and then define next steps and programs to help ensure beneficial outcomes for the traditional owners.

#### NEWMONT GROWS RELATIONSHIP WITH INDIGENOUS-OWNED ENTERPRISE

In 2015, Newmont and Kulbardi, an aboriginal-owned stationery and office products supplier in Australia, entered into a three-year contract expected to be worth \$1.1 million. Under the agreement, Kulbardi will provide office supplies to all of Newmont's mine operations and business offices in Australia.



The contract represents Newmont's first office supply products contract with an indigenous company. In addition to heading one of Australia's largest aboriginal business and office suppliers, Kulbardi CEO Kim Collard shares Newmont's commitment to provide opportunities for indigenous people. A portion of Kulbardi's profits is directed toward educational and work-ready programs for aboriginal communities.

"Having traditional custodial links to the Boddington area, I hold Newmont in high esteem in terms of its indigenous engagement strategies, and this contract is a further extension of that commitment," Mr. Collard said. "It's a wonderful opportunity to have the brand of Newmont come on board as a customer."



FCONOMIC AND SOCIAL PERFORMANCE

# RESETTLEMENT AND LAND USE



Case Study

SELF-SUFFICIENCY FOR

VULNERABLE GROUPS →



Partnered with Colorado School of Mines
Humanitarian Engineering program to
EVALUATE SOLUTIONS TO
IMPROVING THE SAFETY AND HEALTH
of artisanal and small-scale mining



ENGAGED with stakeholders on resettlement plan for 77 HOUSEHOLDS near the Ahafo operation

Home / Economic and Social Performance / Resettlement and Land Use

# **Approach**

The natural physical location of ore bodies often results in unavoidable disturbances of land used for livelihoods or occupied by households and communities. Physical displacement, relocation and resettlement can pose significant economic, social and environmental risks. The right to an adequate standard of living is a salient human rights risk associated with our business activities. Done poorly, resettlement may cause conflict and increase impoverishment of affected people. However, done well and in collaboration with stakeholders and experts, resettlement can catalyze economic development and improve livelihoods.

Our commitment to assess and address the rights and needs of landowners and local communities prior to any activities involving land acquisition and resettlement 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 communities and homes 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; adverse impacts are minimized; and livelihoods and living conditions are restored or improved.

To minimize risk and foster trust and mutual respect, for projects where physical or economic displacement is unavoidable, sites must collaborate with local communities to develop a resettlement action plan (RAP) that addresses the impacts of physical displacement, and/or a livelihood action plan (LAP) to address the economic impacts.

Sites are required to 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.

# Artisanal and small-scale mining

Artisanal and small-scale mining (ASM) is estimated to provide income to more than 100 million people around the world. While legal frameworks allow for responsible and more formalized ASM operations, many ASM activities are considered illegal and informal, and use mining methods that pose significant health, safety and environmental risks, both for the miners and for the surrounding communities. In addition, the relationship between large-scale miners, such as Newmont, and ASM operators has often been characterized by conflict when they operate in close proximity.

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 or related activities take place in our operating areas.

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. Currently, ASM activities take place on or near three (representing 30 percent) of our operations – Batu Hijau in Indonesia, Ahafo and Akyem in Ghana – and our Merian project in Suriname.

At our two operations in Ghana and our project in Suriname, we have relinquished land for legal, responsible small-scale mining.

# 2015 Performance

In 2015, we resettled a total of 77 households at our Ahafo operation in Ghana. Prior to conducting the resettlement activities, we hired an independent firm to survey crops, properties and land interests in the affected area. Community leaders, members of the multi-stakeholder Resettlement Negotiation Committee (RNC), and officials from the government's Land Valuation Division of the Lands Commission were engaged in the survey's data collection process to address any conflicting interests. We negotiated with the RNC on the final resettlement packages, which included livelihood re-establishment support and the commitment to use local contractors to construct the resettlement houses.

Newmont partnered with students and faculty members from the Colorado School of Mines' Humanitarian Engineering program to research ASM issues at the Merian project and evaluate solutions to help improve ASM health, safety and environmental practices. We also collaborated with the University of Applied Science and Technology of Suriname, School of Mining, to conduct a demonstration for small-scale miners of gravity gold recovery methods that minimize the use of mercury while improving the recovery of gold, and initial feedback from the miners was largely positive.

Newmont participated in several global forums focused on ASM practices and solutions. In 2015, our Suriname team engaged with the International Institute for Environment and Development (IIED) during a 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. We also plan to participate in an IIED-led workshop in Ghana in early 2016.

# **Future Focus**

In 2016, we will develop a global artisanal and small-scale (ASM) strategy to expand our approaches and contributions to collaborative solutions to ASM risk management beyond the human rights commitments we state in our global policies and standards. The strategy will recognize our business need to consistently safeguard our operations to deliver long-term benefits to shareholders, local communities and governments, while contributing some positive impacts for those legitimately engaged in ASM in a manner that respects human rights. While we cannot solve all the underlying social issues that underpin ASM activities, we are committed to promoting healthy livelihoods for those who are affected by our presence, just as theirs affects us. The overall goal is to contribute to improved outcomes for all stakeholders.

#### **SELF-SUFFICIENCY FOR VULNERABLE GROUPS**

In 2006, Newmont introduced the Vulnerable People's Program (VPP) to support households that suffered transitional vulnerability from a pre-existing situation, or physical or economic displacement due to the development of the Ahafo mine in Ghana.



The program – which is separate from the compensation provided to those whose households or livelihoods are relocated due to the development of the mine – focuses on the most vulnerable and disadvantaged people and helps them achieve self-sufficiency within a three- to four-year period.

We collected input from community leaders and collaborated with local experts – including the Department of Social Welfare, Opportunity Industrialization Centre International and a local NGO called Guards of the Earth and the Vulnerable – on the program's development.

Beneficiaries are chosen based on their income, age, dependents, disabilities, illnesses, and access to resources and support. Those who meet the criteria receive a range of services, which may include food baskets, registration for free healthcare, skills training, counseling and education.

Notable program accomplishments to date include:

- Nearly 700 households that were supported by food baskets have transitioned to harvesting their own crops to meet their food needs.
- Around 650 households are now self-sufficient they have established farms, health

insurance and a sustainable source of income.

- 80 students completed high school and some have proceeded to and completed post-secondary education.
- Around 35 people enrolled in vocational training and nearly two-thirds of the graduates have become self-employed.

**CONSUMED** 

28 PERCENT LESS



# **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.

CASE STUDIES →

**ENERGY GENERATED** FROM COAL

ALL SITES CREATED AND IMPLEMENTED WATER ACCOUNTING FRAMEWORKS. →

#### **LEARN MORE**



Water



Energy and Climate Change



Waste Management



Biodiversity



 $\mathbf{Q}_2$  Air Quality



Cyanide Management



Closure and Reclamation



Compliance



Data Appendix



**ENVIRONMENTAL STEWARDSHIP** 

# **WATER**



Case Study
IMPROVING WATER MANAGEMENT
THROUGH NEW ACCOUNTING
FRAMEWORK →





Home / Environmental Stewardship / Water

# **Approach**

Water is a precious resource, and the right to clean drinking water is one of the salient human rights risks associated with our business activities. However, in many parts of the world, water supplies and fresh water resources are under pressure due to expanding populations and climate change. Growing concern over the mining industry's water performance; competing water uses in regional watersheds; environmental risks to water sources; water scarcity in some regions and water surplus in others; and increasing financial exposure during mine closure demonstrate the complexity of our water risks and the economic and social imperative for water stewardship.

Our commitment to create a positive water stewardship legacy in our host communities 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.

Our global water strategy is an integrated approach to proactively manage and mitigate water risks by fully understanding the watersheds where we operate; participate in addressing watershed challenges for communities, other water users and the operation during all stages of the mine lifecycle; 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 protecting human rights.

Each of our operating sites – and each community in which we operate – has different water needs and challenges depending on the supply, demand and water quality within the watershed. Because water risks and impacts vary, each site assesses and manages its specific water risks. Along with defining teams and accountabilities, site water management charters map out a strategic plan to continually improve water management at all our sites.

Through Water Accounting Frameworks (WAF) each site defines, measures and reports water use by inputs, outputs, diversions and water quality.

# Water Account To be used for planning, conservation assessment, reporting Water Translation Page Summarizes inputs, outputs, recycle/reuse, water quality assessment and costs Site-Wide Water Balance Incorporates site-specific inputs and outputs Inputs FRESH WATER SOURCES (Direct precipitation, groundwater, surface water, others) Recycle/Reuse Process water tracking

Advancements in water recycling and recirculation techniques and technologies have also helped optimize the efficient use of this resource.

Much of the water that makes contact with our operations is recycled or reused at our sites to minimize overall fresh water use. Water treatment technologies employed at a number of our sites also provide a solution for removing unwanted constituents and safely discharging water back into local basins.

As managers of large volumes of water, our operations use saline or non-potable water and reduce fresh water consumption in ore processing by recycling and reusing water on site to the greatest extent possible.

Many of our operations – Boddington, KCGM and Tanami in Australia; Carlin, Twin Creeks, Phoenix and Lone Tree in Nevada; and Ahafo and Akyem in Ghana – currently are considered zero process discharge facilities because they recycle process water to minimize the use of fresh water to the greatest extent practicable.

For our operations that discharge water – which tend to be those located in areas that experience high precipitation – the water is treated, if necessary, to meet the applicable water quality standards and regulatory and permitting 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.

In addition to our annual sustainability report, we disclose our water management performance in the CDP's annual Global Water Report. The detailed CDP water performance is expected to be made publicly available beginning in 2016. 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.

# 2015 Performance

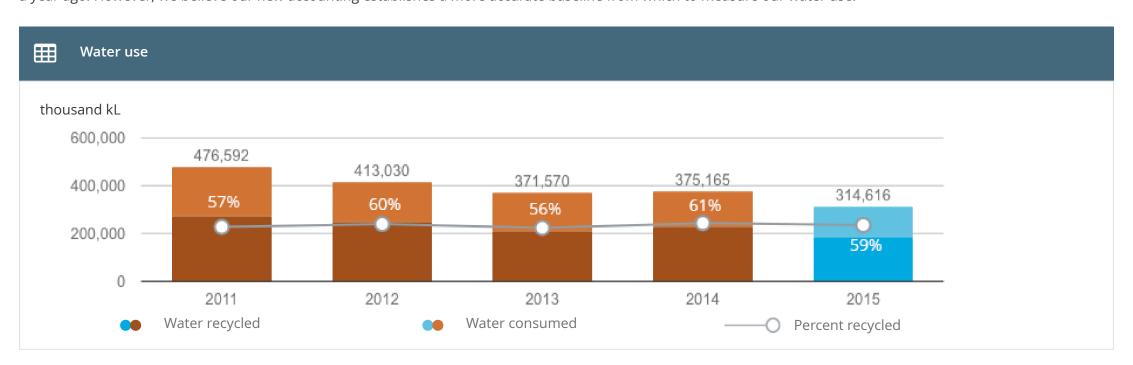
Outputs

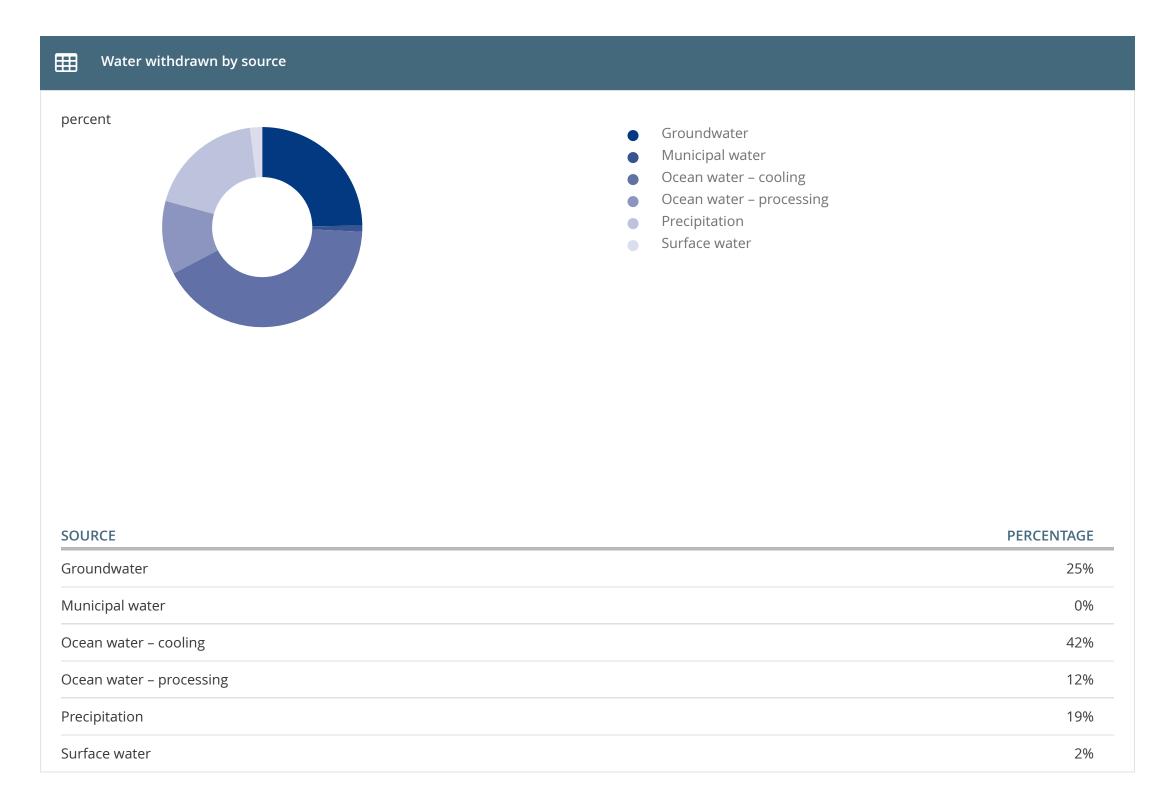
Losses through evaporation, entrainment,

discharges to the environment

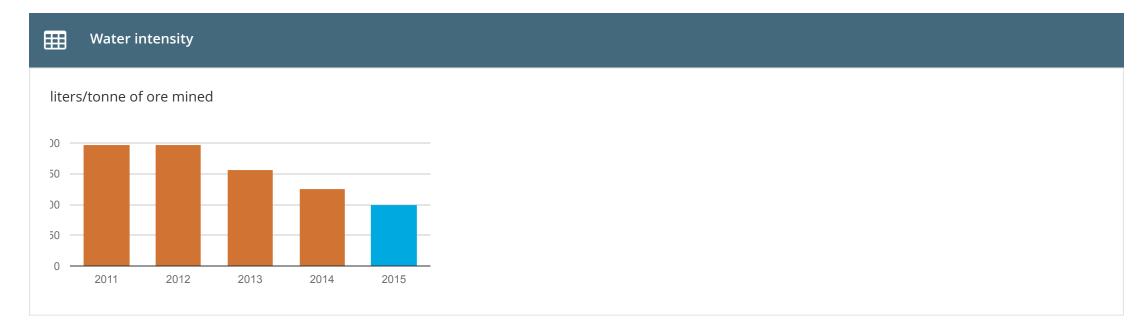
Along with implementing regional water strategies and site management charters, all sites met our global external target to create and fully implement a Water Accounting Framework (WAF) by the end of 2015 and report their performance against their specific water strategy action plans.

Total water use (consumed and recycled) slightly decreased in 2015 due to the divestiture of the Waihi operation in New Zealand. With the implementation of our new water accounting, total water consumption increased because our reporting now includes water used in the tailings disposal process that cannot be recovered via recycling. As a result, the amount of recycled or reused water used across our operations declined to 59 percent of our total water use compared to 61 percent reported a year ago. However, we believe our new accounting establishes a more accurate baseline from which to measure our water use.





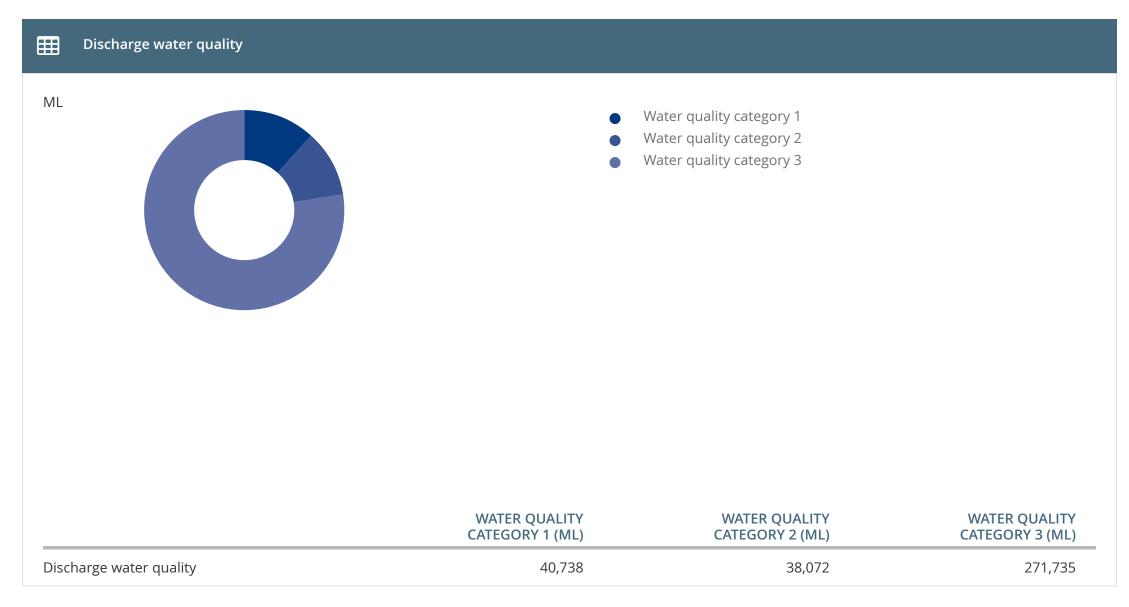
Because our total water consumption can vary due to factors such as new mines and divested assets, we report on our water intensity. We calculate water intensity as the amount of water needed per tonne mined, and we believe this is a meaningful metric to track how we manage this resource. In 2015, water intensity decreased 20 percent and overall water use declined while production increased.



Our 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). Around 92 percent of our input and 88 percent of our output is category 2 or 3, considered lower-quality water. Excluding our Batu Hijau operation in Indonesia, which primarily uses sea water for both processing and cooling, 78 percent of our input water and 48 percent of output water at our operations is category 2 or 3. At our Yanacocha operation in Peru, category 1 water output increased as compared to category 1 input as a result of the water treatment plant which discharges drinking water quality into the basin.



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In 2015, our operations' withdrawal of water significantly affected one source (defined as 5 percent or more of the annual average volume). At our Boddington operation in Australia, the mine decreased its water abstraction from the Hotham River in 2015, from 9.195 gigaliters (GL) in 2014 to 7.689 GL in 2015 due to ecological restrictions. Abstraction from the Hotham River is governed by a water license and only allows pumping of excess water above a scientifically determined ecological reserve for the river. The mine is the only current water user in the area because of the river's high salinity values.

To reduce Boddington's risk of a water shortage and to protect other water uses in the basin, Newmont implemented water conservation measures, including recycling water used for tailings and washing equipment, and secured an additional water source in 2015. Because water conservation and availability is expected to remain a critical issue at Boddington, other alternatives to increase water storage and availability are under consideration.

To support regional water strategies, in 2015 sites mapped watershed information, compiled water user information, reviewed impact assessments and developed stakeholder engagement plans.

Notable efforts in 2015 to better manage the withdrawal of water and the quality of water discharged at our sites include the following:

- At the closed Mesel mine in Indonesia, the Independent Scientific Panel (ISP) concluded nine years of continuous environmental monitoring of the former mine's Submarine Tailing Placement (STP) in Buyat Bay. Among the findings in the ISP's summary report are that the STP, which took place from 1996 to 2004, has not resulted in observable adverse environmental impacts on the ecosystem of Buyat Bay; future negative impacts to the marine ecosystem from the deposited tailings are not expected; and the entire ecosystem is diverse, healthy and safe for all forms of marine tourism.
- At our Batu Hijau operation, we completed a number of water infrastructure improvement projects including additional seepage collection systems, realigned diversion pipes, improved drainage, increased water pumping capacity and a larger tailing line to reduce the risk of any uncontrolled water releases.
   Stakeholders were engaged on an independent study of the communities' current water usage and projected future needs. With 2015 being the driest year on record since Batu Hijau commenced operations in 2000, a cross-functional site team worked together to effectively manage the reduced water resources to meet production, domestic and community needs.
- In Nevada, Newmont continued to engage with key stakeholders on critical water issues. A Newmont delegate serves on the Humboldt River Basin Water Authority's Board of Directors, representing the interests of the mining industry on matters related to water management of the basin's ecosystem. Newmont also participated in the Nevada Drought Forum. The forum brings together water experts, government officials and industry representatives to address challenges and recommend changes to water management practices.
- In Peru, our Yanacocha operation and the municipal water authority completed work that began in 2012 on seven out of the nine projects aimed at improving drinking water quality and supply reliability for more than 180,000 people in the city of Cajamarca. During the year we reconfigured two water treatment facilities Yanacocha Norte and Pampa Larga and commenced construction on a new facility La Quinua to ensure compliance with Peruvian regulations on new receiving water quality limits that went into effect in 2015. The La Quinua plant is expected to be complete in early 2016. Yanacocha conducted quarterly community participatory monitoring with 49 communities. Results from the monitoring of 27 canals within the four basins where we operate were reported to the appropriate regulatory agencies.
- We developed a community monitoring program for the Merian project in Suriname, which will be implemented prior to commencing commercial production in late 2016.

# **Future Focus**

In addition to working toward meeting the process-oriented targets related to our water strategy, we will engage with internal and external stakeholders to identify quantitative targets that we expect to establish in 2016 and report against beginning in 2017.



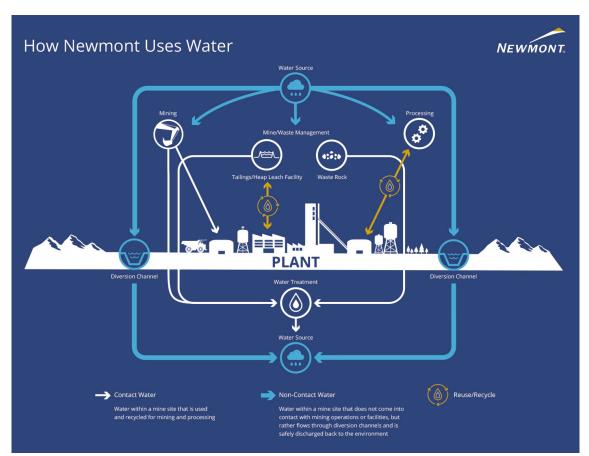
Implementing the global water strategy is a long-term, evolving process. The focus in 2016 will be on updating site charters based on lessons learned in 2015; continuing discussions with NGOs and aid organizations to partner on a plan to create a positive legacy of water stewardship; and adding the cost of water for evaluating water management projects.

The Merian project in Surinam, the Long Canyon project in Nevada, and the Cripple Creek & Victor operations in Colorado will complete WAFs by the end of 2016.

The Buyat Bay Independent Scientific Panel (ISP) is expected to issue its final report at two public meetings in Indonesia – in Manado and Jakarta – in early 2016. To document the methodologies, data and conclusions of the monitoring program, ISP members intend to develop and publish a number of peer-reviewed scientific journal articles.

#### IMPROVING WATER MANAGEMENT THROUGH NEW ACCOUNTING FRAMEWORK

In 2014, Newmont implemented a global water strategy to improve our water management performance.



One aspect of this strategy was to align our reporting on water management performance across functions and sites to create a consistent approach to manage water more holistically.

Using a Water Accounting Framework (WAF), sites now employ a system that is effective not only for reporting water performance but also for comparing relative water use with other uses in the basin, among sites and with others in the industry. Based on the input-output model of the Minerals Council of Australia's (MCA) Water Accounting Framework, Newmont's WAF measures, tracks and reports water use by:

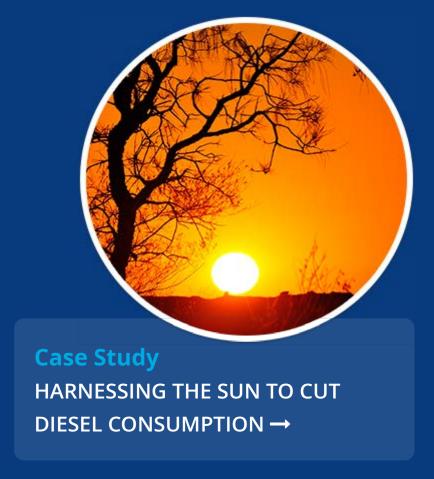
- *Inputs* includes surface water (such as precipitation), groundwater, sea water and third-party water (such as wastewater).
- *Outputs* includes those under inputs plus "other" such as evaporation and water used in mine operations and ore processing (e.g., tailings).
- *Diversions* water that is diverted using engineered infrastructure at each operation to redirect precipitation safely around our facilities and back into the environment without contacting operational facilities.
- Water quality assigned to each input and output as category 1 (close to drinking water standards), category 2 (suitable for some purposes but treatment required for human consumption) and category 3 (unsuitable for most purposes).

The WAFs are a valuable tool for operations to routinely track water use and performance, and ultimately they will support development of future water efficiency projects and targets. And while all sites have just recently implemented the WAFs, the benefits are already being realized. For example, with the ongoing drought in Nevada, Newmont was able to provide accurate and timely information related to water use and basin flows to support the Governor's Drought Forum analysis and address misconceptions. And at our KCGM operation in Australia, the WAF has helped the site better address an issue with excess water at the processing plant, and has been a useful tool for the site's in-pit dewatering program.



**ENVIRONMENTAL STEWARDSHIP** 

# ENERGY AND CLIMATE CHANGE



28 PERCENT LESS ENERGY generated from coal



Home / Environmental Stewardship / Energy and Climate Change

# **Approach**

We recognize our role in addressing the global challenge of climate change. Our operations run on fossil fuels to extract and transport ore, and electricity to run large processing and milling facilities. The cost to meet our energy needs is around 20 percent of our total costs applicable to sales (CAS), and extreme climate-related events – such as drought, extreme storms and wildfires – present risks to our business. Another driver for energy efficiency is that our energy intensity – the amount of energy consumed per production unit – typically increases as ore grades decrease and we mine deeper ore. Creating long-term value requires responsible energy use, improved efficiencies and, where there is a business case, options for fuel switching and renewables.

Our commitment to efficiently manage our global energy consumption to reduce our carbon footprint while exploring and developing renewable energy and low-carbon opportunities is stated in our Sustainability and Stakeholder Engagement Policy.

To realize this commitment, our global energy and climate change strategy takes a strategic, but operationally driven, approach to managing threats and opportunities and preparing the business for climate change impacts. The strategy's objectives are:

- Ensure a stable, reliable, secure and cost-effective energy supply for our operations;
- Achieve sustainable cost and efficiency improvements;
- Reduce our carbon footprint through renewable energy, energy efficiency strategies and carbon offsetting;
- Adapt to a changing climate; and
- Collaborate internally and engage externally on energy policy frameworks that support an effective transition to a low-carbon economy.

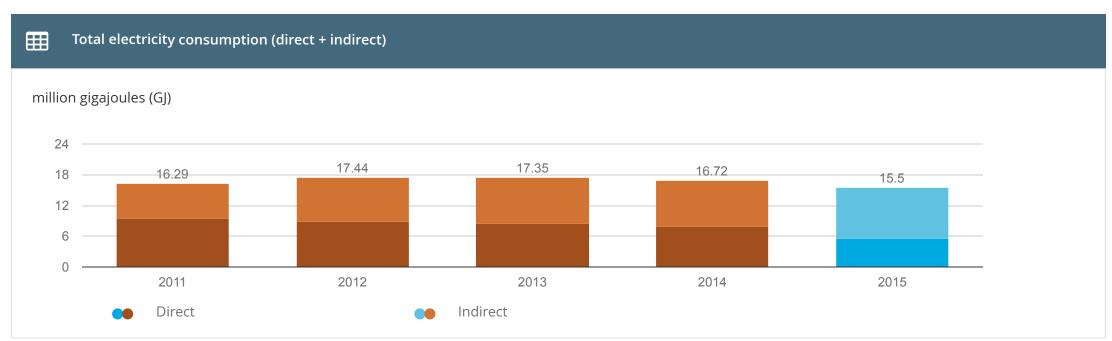
Our Global Energy and Climate Change Team (GECCT) – which includes representatives from each region and various key functions – leads the efforts to implement the strategy. Regional and site energy and climate plans will detail the process to reduce energy-related costs and GHG emissions while helping mitigate risks related to energy security, supply and cost.

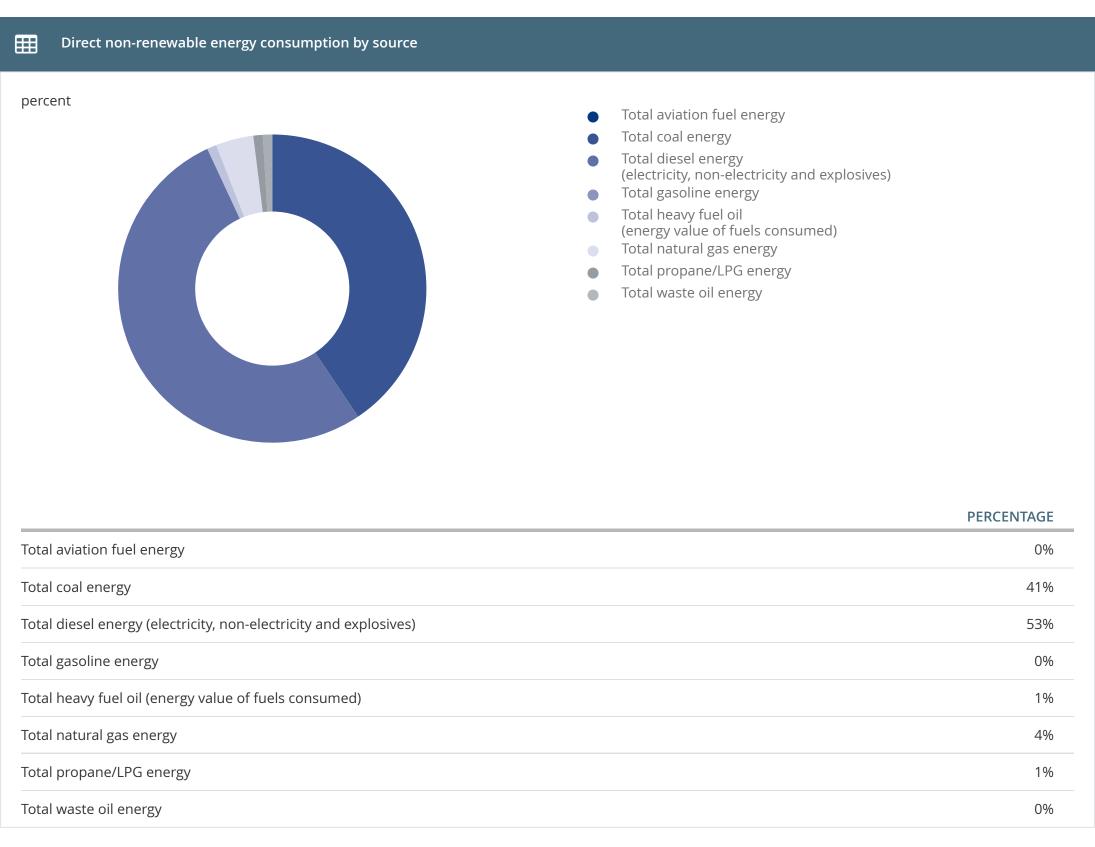
As an ICMM member, we support the organization's statement on climate change, which affirms members' support for a global agreement on climate change and a price on carbon and other market mechanisms designed to reduce greenhouse gas emissions and encourage innovation.

We measure and annually report our global GHG emissions data – which is independently assured in this report – to the CDP, which asks the world's largest companies to account and report their GHG emissions and describe their climate change governance and strategy, management of risks and opportunities and management of GHG emissions.

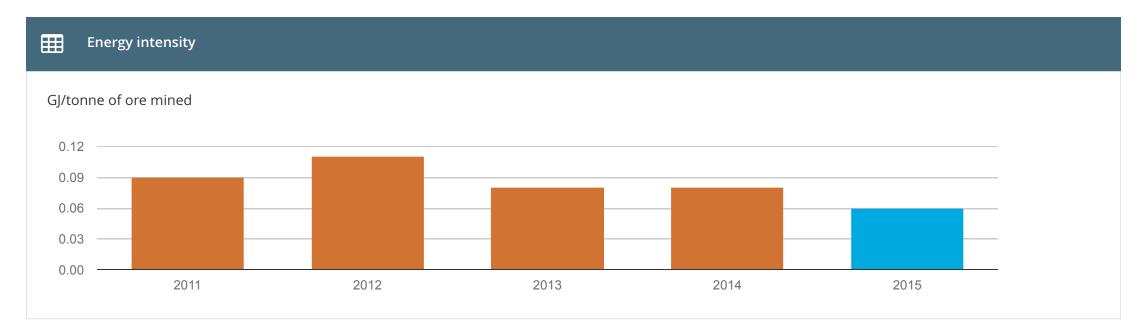
# 2015 Performance

Total energy consumption decreased 9 percent in 2015 largely due to generating less coal-fired power at our Nevada TS Power Plant. Newmont consumed 28 percent less energy generated from coal compared to the previous year. Lower utilization of coal-generated energy is expected to continue due to efforts to reduce GHG emissions under the 2015 landmark Paris climate accord. Additionally, propane consumption significantly decreased due to switching from propane to natural gas at our Leeville operation in Nevada. Total natural gas consumption in Nevada remained steady due to less usage at our Carlin operations.

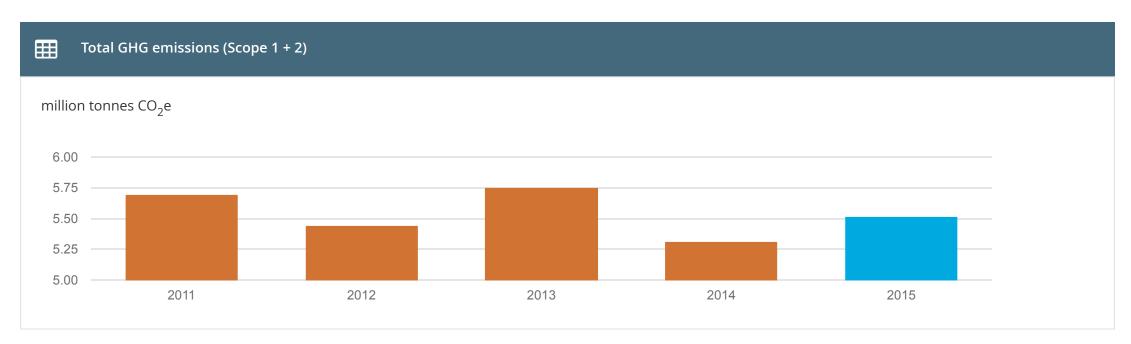


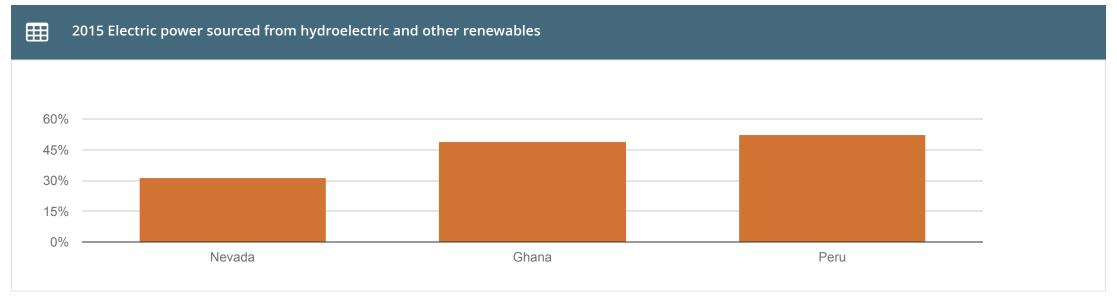


Because our total energy consumption can vary due to factors such as new mines and divested assets, we report our energy intensity. We calculate energy intensity as the amount of energy needed per tonne of ore mined, and we believe this is a meaningful metric to track the energy efficiency of our operations. We are reporting data for five years. However, given our understanding of the GHG Protocol Initiative's Corporate Accounting and Reporting Standard, and improvements in both our understanding of the factors affecting this metric and the data quality, we consider 2012 as the base year.

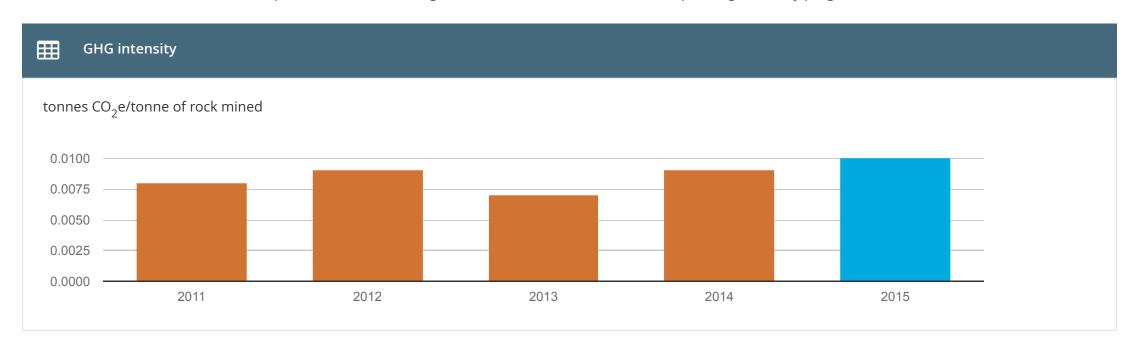


Total GHG emissions were comparable to the prior year. The decrease in emissions at our TS Power Plant was offset by an increase in emissions at our Batu Hijau operation in Indonesia. Batu Hijau's emissions in the prior year were lower because operations were temporarily suspended for three months in 2014 due to copper concentrate export restrictions.





We calculate GHG intensity as the amount of carbon dioxide equivalents (CO<sub>2</sub>e) emitted per tonne of ore mined. Our Global Energy and Climate Change Team (GECCT) will continue to assess the data and improve our understanding of factors – such as new assets and operating efficiency programs – that affect this metric.



Newmont does not use any ozone-depleting substances (ODS), identified as such in the appendices of the Montreal Protocol, at any of our operations. All sites report the use of ODS refrigerant substitutes R-134a and R-410a for cooling system maintenance.

In 2015, the GECCT engaged with functions and regions across the organization to develop the global energy and climate change (E&CC) strategic framework and implementation plan, which was used to create energy and climate change strategies for each region. These strategies include establishing baseline data; identifying key risks, including new regulatory requirements and extreme weather phases like El Niño, and opportunities, such as sites located in areas with renewable energy development potential; and developing site action plans. One notable change being evaluated is adding the cost of carbon when evaluating the impact of GHG emissions on projects.

As part of Full Potential – Newmont's global business improvement program that focuses on continuous improvement – a number of energy efficiency and GHG reduction efforts are being undertaken. With diesel fuel contributing to around one-third of our GHG emissions, in 2015 we commenced testing of Blutip power technology to improve the fuel efficiency of haul trucks at our Boddington, Ahafo and Twin Creeks operations. Field tests at Boddington showed fuel and corresponding GHG emission reductions of around 6 percent and the potential to reduce associated particulate air emissions as the fuel is more completely combusted.

We also completed the analysis on constructing a plant to convert natural gas to liquefied natural gas (LNG) for use in our haul trucks at our Nevada operations. While the project is not economically feasible at this time, we will continue to monitor this option due to the potential for LNG to reduce the sites' GHG emissions by 30 percent or more.

In early 2015, the government of Ghana imposed electric power load-shedding requirements on all power consumers, including businesses, due to extreme power shortages. We engaged with the Ministry of Power's National Load Shed Management Committee in collaboration with the Ghana Chamber of Mines to reduce load-shedding mandates on the mining industry. The Committee allowed us to swap power between our Ahafo and Akyem operations, which enabled Newmont to comply with the 33 percent reduction in power usage at the mines. Additionally, we later negotiated a three-year take-or-pay power contract with the Volta River Authority (VRA) to supply 100 percent of our power needs, except during load-shedding periods in which the VRA will supply at least 90 percent. The new contract, as well as backup power capacity units installed at Akyem during 2015, are designed to prevent disruptions in power supply at both Ahafo and Akyem.

In Nevada we completed construction on a new natural gas pipeline that carries natural gas from the Ruby Pipeline to our Leeville underground operations, replacing the use of bulk propane. This switch is expected to reduce Leeville's carbon footprint as combustion of natural gas results in 16 percent less carbon dioxide emissions per energy unit versus propane.

# **Future Focus**

Execution against our global energy and climate change strategy will be a multi-year effort involving external expertise as well as internal capability.

Implementation of site action plans, the development of region-specific numeric targets, and monitoring and reporting on our progress against the strategy are expected to begin in 2016. Once targets are established and finalized in 2016, we will begin to measure against them in 2017 and externally report our performance in our 2017 global sustainability report, which we will publish in early 2018. The cost of carbon analysis will be piloted in 2016.

We will continue to study renewable and clean energy options that have potential to reduce our GHG emissions. Some of the more promising options include HDRD (hydrogenation-derived renewable diesel) – which is a fuel source made from waste and bioproducts – and micro-hydro in remote areas.

We commit to work alongside nations and companies around the world to explore ways to reduce our fossil fuel consumption and GHG emissions, increase our use of renewables and improve our energy efficiency.

#### HARNESSING THE SUN TO CUT DIESEL CONSUMPTION

Newmont's Tanami operation is located in Australia's Tanami Desert, one of the most isolated and arid regions in the world.



Each year, the Tanami operation consumes around 14 million gallons of diesel to power its equipment, plants, mills and camp for the fly-in, fly-out workers. All of the diesel for the site is trucked more than 1,300 miles from the port city of Darwin.

As part of the power contract negotiation process underway at Tanami, we are assessing cleaner and renewable energy sources, such as natural gas and solar.

This assessment includes partnering with the Northern Territory's power authority on a feasibility study to construct a natural gas pipeline to the Tanami operation from near Alice Springs, which is around 400 miles away. Switching to natural gas has the potential to reduce the mine's carbon emissions by approximately 50,000 tonnes per year while also reducing our costs.

Because the sunny, desert climate of the Northern Territory is ideal for solar energy, we also are studying the feasibility of installing a 10 to 14 megawatt solar plant at Tanami. If approved and implemented, the 20 to 21 hectare solar farm will not replace all the diesel fuel consumption due to Tanami's around-the-clock operation. However, it is expected to replace about 1.8 million gallons of diesel a year – approximately 13 percent of the mine's annual diesel fuel consumption – with a renewable, clean energy source.



**ENVIRONMENTAL STEWARDSHIP** 

# **WASTE MANAGEMENT**



Case Study

NEW PASTE PLANT REDUCES

ENVIRONMENTAL IMPACTS AND

IMPROVES BACKFILL

MANAGEMENT →



Waste rock and tailings DECREASED 16 PERCENT AND 7 PERCENT, respectively



Global elemental MERCURY production DECREASED BY 40 PERCENT

Home / Environmental Stewardship / Waste Management

# **Approach**

Newmont's operations generate both mineral and non-mineral waste through mining and processing activities. Some of these wastes can pose health and environmental risks due to mineral processing, ore composition, or chemical reactions when disturbed or exposed to air or water, and have the potential to damage the environment if not properly contained. Effectively managing mineral and non-mineral wastes is critical to protecting the environment and reducing the liabilities and long-term risks associated with inadequate waste management facilities and protections. The right to health has been identified as a salient human rights risk associated with our business activities.

Our Sustainability and Stakeholder Engagement Policy outlines our commitment to manage waste generated by our activities in a manner that protects the environment and human health throughout the mine lifecycle; promotes beneficial post-mining land use; and reduces post-mining closure and reclamation liabilities.

The policy also requires any mercury byproduct – which is managed as a waste material – to be permanently retired from circulation using long-term safe storage as defined in the U.S. Mercury Export Ban Act. Newmont does not use mercury to mine or extract gold. However, mercury naturally occurs in ore at several of our operations, and gold processing can generate mercury compounds. All byproduct mercury from our Nevada operations is being stored at an off-site U.S. Resource Conservation and Recovery Act (RCRA) permitted facility. Stabilized forms of mercury – such as mercury sulfide – are approved for land disposal at licensed facilities in North America and the European Union.

Supporting our policy is a set of global standards that establish the minimum requirements for managing waste.

Our Waste Management Standard requires sites to develop a plan that addresses the generation, segregation, collection, storage, transportation, minimization, reuse/recycling, and disposal of hazardous wastes, non-hazardous wastes, wastewater and mercury. The Waste Management Standard is applicable to on-site landfills, waste accumulation facilities, sewage treatment plants and waste incinerators.

Our Waste Rock and Ore Stockpile Management Standard requires sites to characterize ore and waste rock and to carefully design, construct, operate, close and reclaim rock stockpiles including pit backfills.

This standard also addresses the risk to surface and groundwater quality from acid rock drainage (ARD), which is generated when water comes into contact with certain minerals in the rock that are oxidized by exposure to air, precipitation and naturally occurring bacteria. To limit potential environmental impacts from ARD, our operations implement site-specific management strategies so that the design and operation of mineral waste storage facilities minimize ARD risks. In instances where prevention is not possible, appropriate management measures, such as the collection and treatment of ARD, are used to protect human health and the environment.

Newmont is an active member of the International Network for Acid Prevention (INAP), an industry-led group created to promote best management practices in handling potentially acid-generating materials such as waste rock and tailings.

Our Tailings and Heap Leach Facility Management Standard requires sites to protect surface water and groundwater, prevent uncontrolled releases of pollutants or contaminants to the environment, manage process fluids and meet requirements for closure and reclamation.

Tailings are created as mined ore is reduced into sand-sized particles and then mixed with water and moved as slurry through the extraction process. After removal of the valuable minerals, the remaining milled rock slurry – called tailings – flows to an engineered tailings storage facility (TSF), which is designed to safely contain the tailings even during extreme weather or seismic events. In addition to daily inspections conducted by staff at site, qualified geotechnical engineers inspect every TSF at least once a year. These inspections include a visual examination of the physical condition and a review of all monitoring data, tailings management practices and process information. If any issues are identified, a meeting is held immediately after the inspection to develop and implement a remediation plan. Follow-up inspections are then conducted to verify that any identified issues have been remedied. Details about how we manage tailings are available in a fact sheet we post on our website.

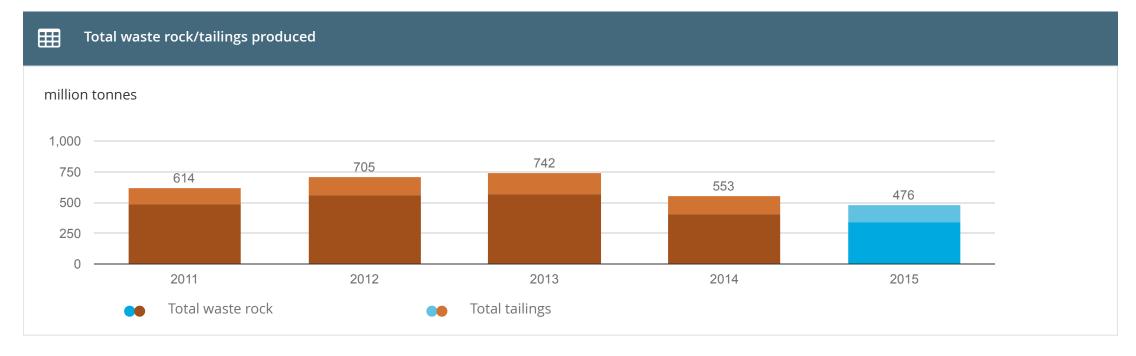
Our Hazardous Materials Management Standard requires sites to minimize the use of hazardous materials – inclusive of hydrocarbons and cyanide – and ensures that the transfer, distribution and storage of such materials protect human health and the environment. We seek to minimize the quantity of hazardous waste we generate by replacing hazardous chemicals with less hazardous products whenever possible.

Our sites minimize the volume of hydrocarbon wastes requiring hazardous disposal by recycling almost all waste oils and greases, either through third-party vendors or on-site processes. On-site recycling can include using waste oil for fuel in the combustion process or recycling into a component of ammonium nitrate-based explosives. The used oil replaces a portion of diesel fuel used in explosives.

Mining and processing activities also generate non-hazardous waste such as scrap metal, spent tires and used oil. Every effort is made to recycle or reuse hazardous and non-hazardous wastes. All materials are recycled or disposed in accordance with the applicable laws and regulations.

# 2015 Performance

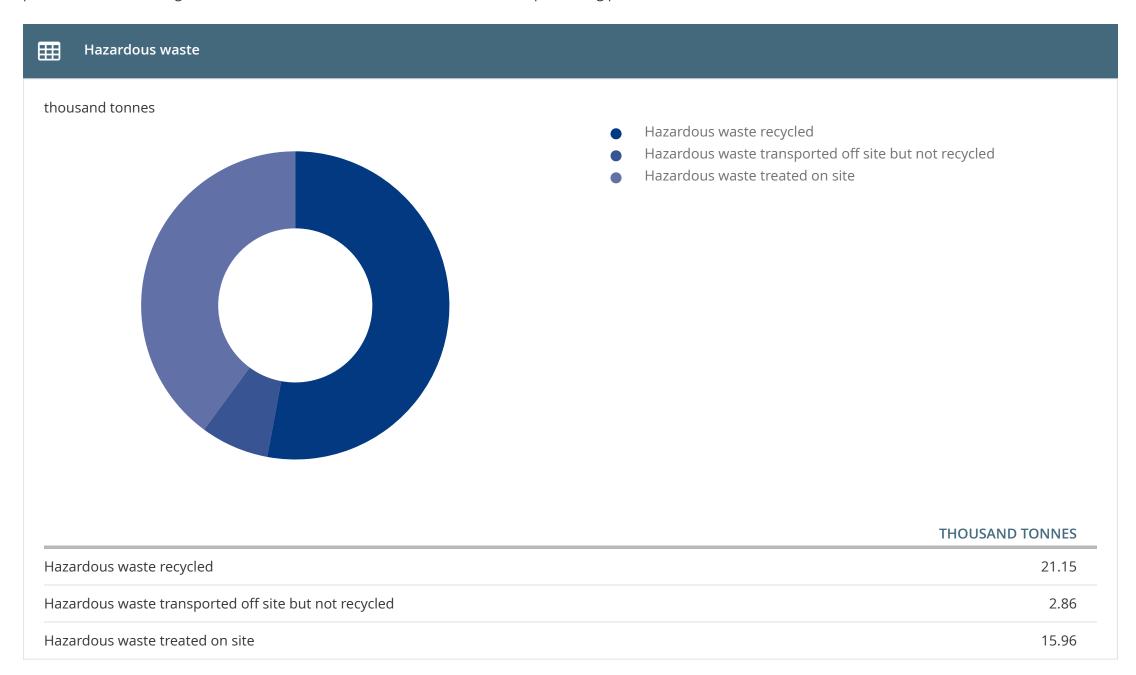
Newmont generated 340.1 million tonnes (374.9 million tons) of waste rock and 135.9 million tonnes (149.8 million tons) of tailings in 2015 – a decrease of 16 percent and 7 percent, respectively, compared to an overall increase in annual consolidated gold production of 11 percent. Contributing to this trend were overall improvements to ore body modeling and mine planning with higher recoveries at some operations.

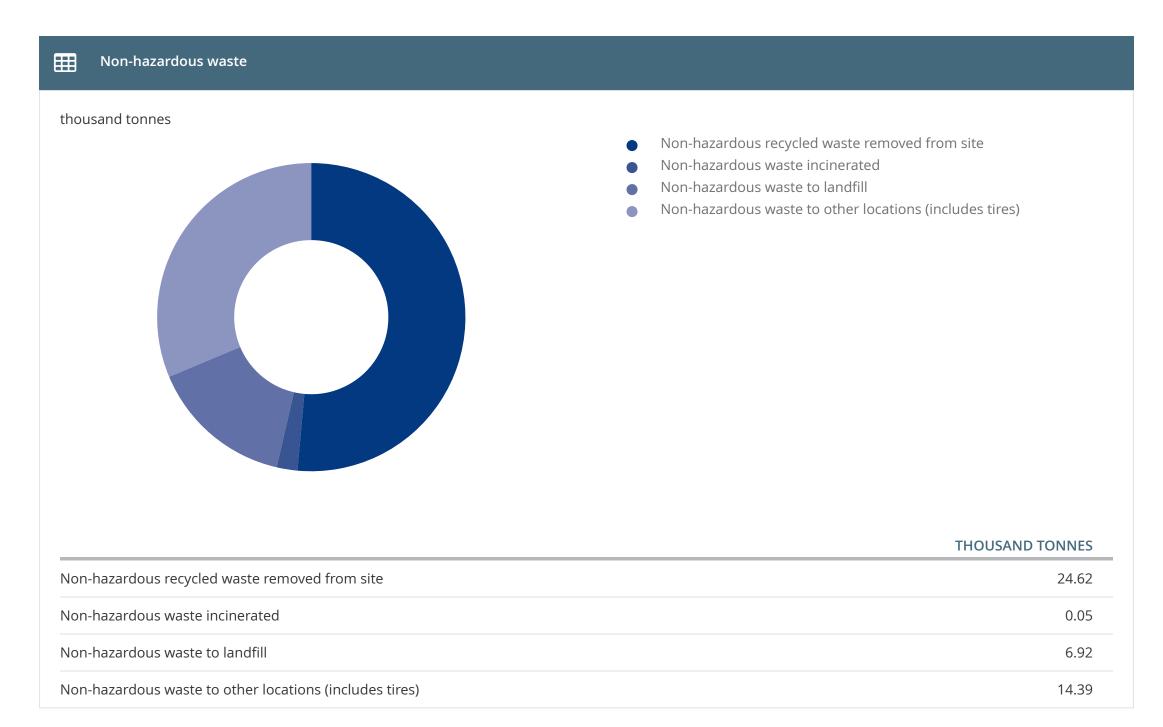


For non-mineral wastes, approximately 46,000 tonnes (50,700 tons) of non-hazardous waste and 40,000 tonnes (44,100 tons) of hazardous waste were generated at our operations in 2015. Our global output of both hazardous and non-hazardous waste can vary due to activities such as maintenance requirements (volume of oils and lubricants), construction activities (quantity of packaging materials and scrap) and storage (space for metals recycling).

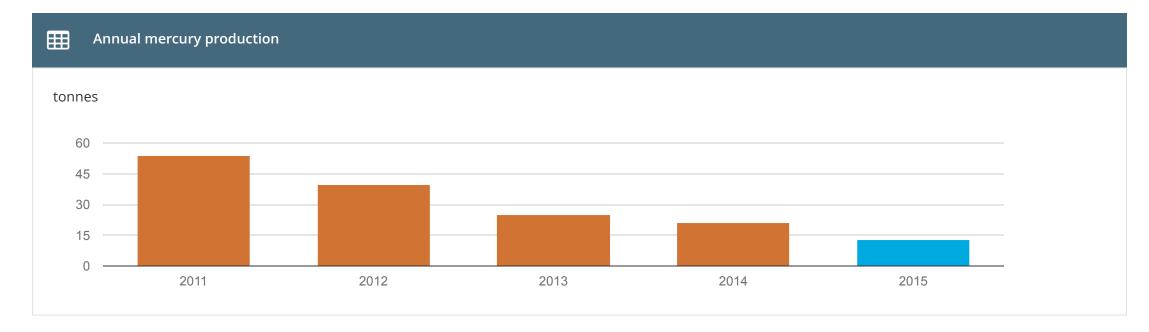


Sites are required to evaluate opportunities to recycle, as per our Waste Management Standard. In 2015, we recycled 21,150 tonnes of hazardous waste and 24,620 tonnes of non-hazardous waste, including 7,955 tonnes of used oil. Every site recycles all waste oil produced, either through third-party vendors or through on-site processes, such as using waste oil for Yanacocha's combustion fuel at the lime processing plant.





Our global elemental mercury production continued to decline in 2015 to 12.5 tonnes reflecting our efforts to remove mercury from our air emissions. The quantity of mercury produced varies depending on the quantity of, and mercury concentrations in, the ore processed.



Following the Mt. Polley tailings dam failure in Canada in 2014, we conducted a detailed review of our tailings management standards, technical guidance, standard operating procedures, emergency response plans and our audit and inspection program to ensure we have the appropriate measures in place to manage all our tailings facilities. After the Samarco tailings dam failure in Brazil in 2015, we once again conducted an assessment of our programs, which are detailed in our tailings fact sheet.

An internal task force evaluating options for the safe retirement of byproduct mercury performed due diligence at a site near Montreal, Canada. Based on their findings, the site was confirmed to be a viable option, and shipments of by-product mercury from our Nevada operations began during the year. The team also engaged with the U.S. Department of Energy and the State of Nevada to support efforts to fund and permit the construction of a long-term storage facility for elemental mercury.

At the Batu Hijau mine in Indonesia where we transport tailing offshore and onto the seabed, we implemented a new technology – an autonomous underwater vehicle (AUV) known as a Slocum glider – to monitor water conditions and check subsea tailing plume disposal. The glider can dive to depths of 200 meters and relays data via satellite technology so the data can be monitored in real time.

In March 2015, Newmont reached a settlement with the State of Nevada and the U.S. Environmental Protection Agency (EPA) regarding mercury releases recorded during inspections in 2007. Newmont did not admit any violation or offense, but agreed to pay \$395,000 to the state and EPA as part of the settlement. The consent decree recognized that Newmont acted in good faith throughout in its management of mercury waste and in its dealings with the state and the U.S. government. The state and EPA clarified what wastes must be managed as hazardous waste under the Resource Conservation and Recovery Act.

Construction commenced on a paste plant in Nevada.

During the year, we initiated training on the International Network for Acid Prevention (INAP) Global Acid Rock Drainage (GARD) Guide, which addresses ARD characterization, prediction, prevention mitigation, management/monitoring and future management issues.

# **Future Focus**

Our internal task force will continue to evaluate options with the goal of reaching a decision related to the safe transport and retirement of all our byproduct mercury.

As a member of the International Council on Mining and Metals (ICMM), we are participating in a global tailings storage facilities (TSF) review, which the ICMM announced after the devastating tailings dam collapse in Brazil in 2015. The review – which will be led by ICMM and include external experts and member representatives – will focus on surface tailings management, including a review of standards, critical controls, governance and emergency preparedness.

#### NEW PASTE PLANT REDUCES ENVIRONMENTAL IMPACTS AND IMPROVES BACKFILL MANAGEMENT

At Newmont's operations in Nevada, construction began in 2015 on a paste plant that will take tailings waste, remove much of the moisture, and add other materials, such as cement, ash and lime, to create a paste-like material that can be pumped into previously mined areas in the Leeville underground mine.

Paste technology is recognized as industry best practice due to benefits that include:

- Provides a structurally strong backfill material that improves stability and reduces mining hazards in the underground environment
- Recycles tailings from old surface storage facilities, where they are managed as a waste stream, and turns them into a feedstock for stabilizing underground workings
- Provides a permanent and economical disposition method for fly ash generated at our TS Power Plant, which provides power to our northern Nevada operations
- Reduces capital and land use needs associated with the expanding surface tailings storage facilities of ongoing ore processing
- Recycles process water from the paste plant back to the treatment plant for ongoing ore processing

The plant is expected to begin paste pumping in early 2016.





**ENVIRONMENTAL STEWARDSHIP** 

# **BIODIVERSITY**



Case Study
HISTORIC COLLABORATION FOR
LANDSCAPE-LEVEL HABITAT
PROTECTION →





Signed FIVE-YEAR AGREEMENT with Murdoch University TO SUPPORT the school's BLACK COCKATOO RESEARCH

Home / Environmental Stewardship / Biodiversity

# **Approach**

Both local communities and our operations rely on healthy and functioning ecosystems. During every stage of the mine lifecycle, activities – such as topsoil removal, increased water use and growth in the local population – can impact biodiversity and its related ecosystem services. Maintaining our license to operate requires that we work in partnership with governments, NGOs, academia and communities and use the latest science and best practices for biodiversity management to deliver sustainable conservation outcomes.

Our commitment to integrate biodiversity and ecosystem services considerations into our business to achieve no net loss of biodiversity is stated in our Sustainability and Stakeholder Engagement Policy. Supporting this policy commitment and guiding our approach is our Biodiversity Management Standard, which details the minimum requirements and mechanisms for managing and mitigating biodiversity risks, achieving no net loss and providing a net gain, when possible, of key biodiversity values (KBV).

All new projects and expansions at existing sites must conduct assessments that identify potential impacts of our activities on biodiversity and ecosystems, with particular attention to biodiversity values that are key to the specific area. Based on the assessments, biodiversity action plans (BAP) are developed, and sites with KBVs must have BAPs that satisfy the Mitigation Hierarchy, which is to:

# Offset Net Positive Impact Restore/Rehabilitate Minimize Avoid

- **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.

All operating sites must conduct biodiversity risk assessments, which will also identify any KBVs.

We use the Integrated Biodiversity Assessment Tool (IBAT) – which was developed by Birdlife International, Conservation International, the International Union for Conservation of Nature (IUCN) and the United Nations Environment Programme World Conservation Monitoring Centre – to identify legally protected and high biodiversity value areas when conducting assessments and developing BAPs.

In consultation with stakeholders, sites must develop biodiversity objectives that meet the following requirements during each mine lifecycle phase:

TYPE OF PROJECT	OBJECTIVES	IMPLEMENTATION
Exploration  Provides a crucial foundation for future site planning, should exploration projects proceed	<ul> <li>Early desktop assessments</li> <li>Input from experts</li> <li>On-the-ground assessment, if required</li> </ul>	<ul> <li>Meet expectations for biodiversity assessment and management outlined in the Exploration Guidebook.</li> <li>Prevent impacts on biodiversity and conduct appropriate assessment for next steps.</li> </ul>
New Projects and Expansions  Greatest opportunity to achieve no net loss to biodiversity	No net loss of key biodiversity values or a net gain, when possible, within 10 years of mine closure.	<ul> <li>Thorough biodiversity baselines to provide the foundation for no net loss accounting.</li> <li>Biodiversity baseline data and interpretation can be iterative with the potential to impact project schedule if not planned early in the process.</li> <li>May be able to exceed no net loss where opportunities are present.</li> </ul>
Operational Sites  Opportunities will exist to achieve no additional biodiversity loss for operations	No additional loss of key biodiversity values by the time of mine closure.	<ul> <li>At a minimum, assess biodiversity values and evaluate and manage risk to mitigate the potential for additional loss.</li> </ul>
Closure and Legacy Sites	Seek to enhance the long-term health and resiliency of species and ecosystems in affected areas in accordance with regional conservation goals and long-term land use plans.	<ul> <li>Evaluate opportunities to enhance conservation outcomes as part of reclamation activities.</li> </ul>

We comply with all regulations and requirements for mine exploration and operations within any geographically defined areas that are designated, regulated or managed as protected areas and strive for no net loss of key biodiversity values. As a member of the International Council on Mining and Metals (ICMM), Newmont commits to not explore or mine in world heritage sites, which are considered to be of outstanding global value.

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), Southwest Australia, and Wallacea (Indonesia). Within these hotspots, limited portions of two mining operations are located in key biodiversity areas as defined by Alliance for Zero Extinction (AZE) and Birdlife International. These include the AZE site of El Chiche and the Important Bird Area (IBA) of Rio Cajamarca in Peru and the Tatar Sepang on the island of Sumbawa, Indonesia.

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OPERATION	LOCATION	KEY BIODIVERSITY AREA (KBA)	POSITION RELATIVE TO KBV	SIZE OF OPERATIONAL SITE (KM²)	ECOLOGICAL SENSITIVITY	MITIGATION PLAN
Yanacocha	Peru	Rio Cajamarca IBA	Contains portions of	63	IBA and AZE site for grey-bellied comet	Frequent biological monitoring assessments; however, no assessments have identified the presence of the grey-bellied comet in 20 years
Batu Hijau	Sumbawa, Indonesia	Tatar Sepang IBA	Contains portions of	14	IBA for yellow- crested cockatoo and flores green- pigeon	Conservation programs with local stakeholders and monitoring the existing bird population to assess conservation status
Boddington	Western Australia	Birdlife International "Endemic Bird Area of Southwest Australia"	Contains portions of	92	Black cockatoo habitat	Partnership with Murdoch University to conduct research to restore black cockatoo feeding habitats at mine sites within the Jarrah forest and, more generally, in landscapes throughout southwestern Australia
Akyem	Ghana	Ajenjua 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)	Partnered 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.
Merian	Suriname	Upland and lowland rainforest	Contains portions of	34	Habitat for IUCN red-listed tree species <i>Virola surinamensis</i> (endangered) and <i>Vouacapoua americana</i> (critically endangered)	Developed BAP that aims to minimize project disturbance footprint; avoid felling the tree species, where possible; conduct germination trials with the two species for reclamation; and develop a biodiversity offset to compensate for the impacts to KBVs.
Long Canyon	Nevada	Johnson Spring Wetland System	Contains no portions of	18	Habitat for Greater Sage- grouse, relict dace, mule deer	Developed compensatory mitigation plan for mule deer and Greater Sage-grouse. Established a technical working group to study, develop and implement a conservation management plan for relict dace.

We also work to improve our biodiversity performance and identify leading practices that we can integrate into our management systems through ongoing participation in industry initiatives and partnerships with conservation organizations. Newmont plays a leading role on the ICMM Biodiversity Steering Committee and its development of the "Good Practice Guidance for Mining and Biodiversity" document, and is a member of the Business for Social Responsibility's (BSR) Ecosystem Services Working Group. We are also a founding member of the Cross-Sector Biodiversity Initiative (CSBI), a partnership between the mining, oil and gas and banking sectors to develop and share best practice in biodiversity and ecosystem services.

#### 2015 Performance

Highlights from Newmont's biodiversity programs in 2015 include:

- The Boddington operation in Australia signed a five-year research agreement with Murdoch University, continuing to support its research on the health, demographic and ecology of the black cockatoo in Western Australia. We also implemented a Black Cockatoo Management Plan to avoid, minimize and offset potential impacts to three species of black cockatoos (Carnaby's, Forest Red-Tailed and Baudin's) found around our mining operation.
- At our Akyem operation in Ghana, we worked with the Ghana Forestry Commission (GFC) to identify and allocate a 243 hectare site for the second phase of a reforestation project. The commission identified a portion of the degraded Kweharu Forest Reserve for the project, and we prepared a draft reforestation plan for the commission's review. As part of Akyem's biodiversity offset project, we held workshops with the GFC and Conservation Alliance on site options, biodiversity goals and outcome measurement. While the workshops resulted in the identification of a potential site and a pre-feasibility study was completed, conflicting land management objectives resulted in the site being removed from further consideration as a permanent biodiversity offset.
- In Nevada, we submitted to federal land management agencies a draft conservation agreement that presents the background, basis, operating approach and other aspects of Newmont's Sagebrush Ecosystem Conservation Program. Newmont hosted leadership from the U.S. Bureau of Land Management (BLM), the Fish and Wildlife Service and Nevada Department of Wildlife on a tour of the IL Ranch to review and discuss the plan.
- We conduct extensive monitoring of wildlife at our Long Canyon project in Nevada. In partnership with the Nevada Department of Wildlife, deer with GPS devices are tracked to continue to help inform our understanding of deer movements in the project area and the home range for the deer herd. This monitoring will continue through construction and into the operations phase of the mine. The project's concurrent reclamation plan takes into account deer migration routes and incorporates efforts to contribute to mule deer habitat.
- At the Merian project In Suriname, work started on defining the potential key biodiversity values (KBV) to be addressed in the site's biodiversity action plan (BAP), which was reviewed and updated in 2015, incorporating expert guidance from an independent biodiversity conservation consultant. The BAP provides strategic direction toward conserving species of concern, minimizing disturbances and improving habitat through reclamation of disturbed areas. We partnered with Conservation International to evaluate biodiversity offset options and develop a strategy to execute an agreed offset option.

The Biodiversity Guidance Working Group engaged internally and externally to develop guidance, tools and training materials that support the regions and site teams in implementing and addressing any gaps against our Biodiversity Management Standard. We held the first workshop to develop site-specific biodiversity risk assessments for operating sites at our Yanacocha operations.

#### **Future Focus**

In 2016, Akyem will continue work with the Ghana Forestry Commission and Conservation Alliance to re-evaluate options and select an appropriate site for the biodiversity offset project.

In Suriname, we will focus on implementing the biodiversity action plan (BAP) and defining the strategy to mitigate impacts.

Newmont will be providing leadership in biodiversity conservation in 2016 with a Company representative serving as the Chair for the Cross-Sector Biodiversity Initiative (CSBI) on behalf of the International Council of Mining and Metals (ICMM).

We will issue guidance documentation and hold additional workshops to develop site-specific biodiversity risk assessments in order to help sites comply with new biodiversity standards by mid-2016.

#### HISTORIC COLLABORATION FOR LANDSCAPE-LEVEL HABITAT PROTECTION



In September 2015, the Fish and Wildlife Service announced the Greater Sage-Grouse no longer required listing under the Endangered Species Act (ESA). The reason for the decision – a group of industries, landowners, conservation groups and local, state and federal agencies working together on what the U.S. Interior Secretary called one of the largest and most complex land conservation efforts in U.S. history.

Newmont is participating in this effort through its Sagebrush Ecosystem Conservation Program. The program will help conserve habitat on around 400,000 acres of Newmont's private lands and large portions of 1.4 million acres of federal grazing lands. These lands provide sustenance for Greater Sage-Grouse and other sagebrush-dependent species including the Lahontan cutthroat trout, golden eagle, mule deer, pygmy rabbit and burrowing owl. In partnership with The Nature Conservancy (TNC), Newmont is using TNC's conservation forecasting and ecological models to create effective conservation and restoration treatments to improve the habitat.

Ultimately, Newmont and TNC hope to create a blueprint for how Greater Sage-Grouse lands can be managed in the future.

View U.S. Interior Secretary Sally Jewell's video statement on the conservation milestone.



**ENVIRONMENTAL STEWARDSHIP** 

## **AIR QUALITY**





# CAPTURED MERCURY EMISSIONS

using maximum achievable control technology

Home / Environmental Stewardship / Air Quality

#### **Approach**

Mining activities, including ore extraction, generation of solid waste, and ore refining and processing, release gases and fine particulates that can pose environmental and public health risks. The right to health has been identified as a salient human rights risk associated with our business activities.

Our Sustainability and Stakeholder Engagement Policy states our commitment and our Air Emissions Management Standard guides our approach to assessing and managing air emissions in a manner that complies with all laws and regulations and protects human health and the environment. Our approach to managing emissions characterized as greenhouse gases (GHG) is detailed in the Energy and Climate Change section of this report.

All sites must develop a plan that includes strategies, management practices and responsibilities for applying effective air quality controls and monitoring and reporting against our performance.

Our material emissions are sulfur and nitrogen oxides (SOx and NOx), particulate matter (PM) and mercury. SOx and NOx emissions are primarily generated at our furnaces and coal-fired power plants.

Our fugitive PM emissions (i.e., irregular emissions from dispersed sources) are primarily dust from mining activities such as blasting, excavating, crushing ore, removing topsoil and operating heavy equipment on unpaved roads.

While Newmont does not use mercury to mine or extract gold, mercury is present as naturally occurring compounds in ore at several of our operations. In some of Newmont's gold-recovery processes, ore or ore concentrate is heated to temperatures that transform naturally occurring mercury mineral compounds into gaseous elemental mercury. To prevent gaseous mercury from entering the environment, Newmont captures it using maximum achievable control technology (MACT) – as defined by the Nevada Mercury Control Program standard – and retires or stores the collected mercury, thereby removing it from circulation.

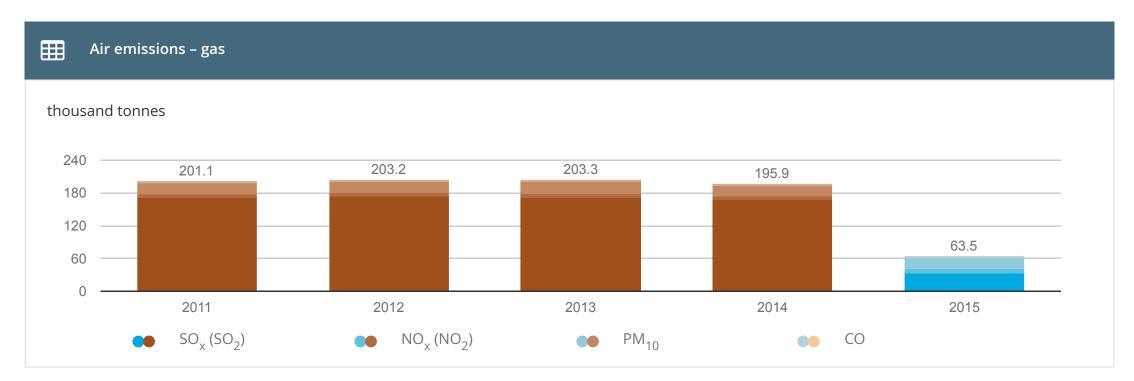
In Nevada, our TS Power Plant – a 242-megawatt coal-fired electricity generating plant – uses a brominated activated carbon injection system and a continuous emissions monitoring system (CEMS), one of the first mercury-specific CEMS in the United States, to significantly reduce mercury emissions. The power plant also is equipped with controls to reduce SOx, NOx and PM emissions and is compliant with MACT standards on emission limits.

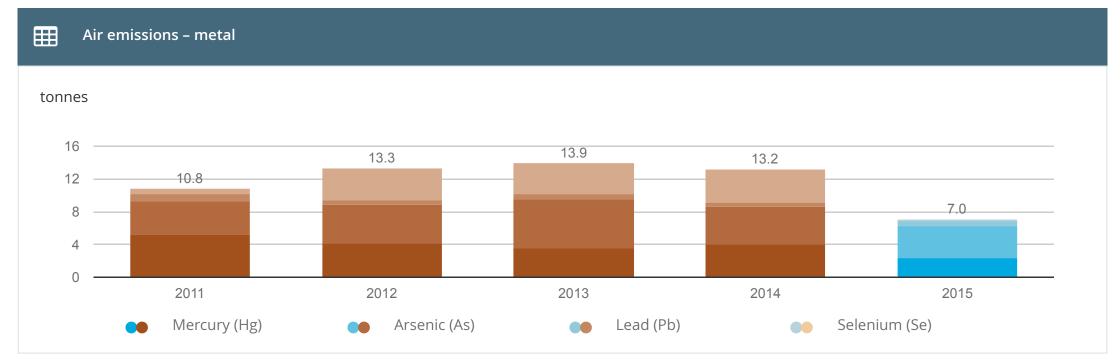
Along with reporting our air emissions in accordance with the Global Reporting Initiative (GRI), we also annually report our air emissions through the U.S. Environmental Protection Agency's (EPA) Toxic Release Inventory (TRI) program and Australia's National Pollutant Inventory.

#### 2015 Performance

Our air emissions reflect the inherent variations in ore composition as we mine from one part of the ore body to another.

Compared to 2014, total mercury emissions decreased 41 percent, and our total SOx emissions decreased 80 percent. The decommissioning of the Gidji roaster at KCGM in June was the biggest driver of the decrease.





#### **Future Focus**

All sites will implement action plans to address any areas identified in the gap analysis in order to be in full compliance with the updated standards by mid-2016.

At the end of 2015, the U.S. Environmental Protection Agency's (EPA) new ozone standard, which lowers the amount of allowable ground-level ozone from 75 parts per million (ppm) to 70 ppm, went into effect. None of our U.S.-based operations are in known non-attainment areas – those areas where ozone readings are consistently above the EPA's air quality standards. However, the rule requires future official monitoring data to identify any new non-attainment areas. Several states and industry groups have filed lawsuits opposing the new rule. We will continue to monitor developments on this matter.

#### **NEW MILL ELIMINATES STACK EMISSIONS AT KCGM**

The Golden Mile sulphide ore in Kalgoorlie, Western Australia has been roasted since 1898. And since the late 1980s, ore was processed at Kalgoorlie Consolidated Gold Mines' (KCGM) Gidji roaster.



Roasting this kind of ore, where sulphide minerals trap the gold, is considered the most efficient and cost-effective method. However, it produces atmospheric sulphur dioxide and mercury emissions. In fact, the Gidji roaster accounted for around 99 and 90 percent of Newmont's total annual sulphur dioxide and mercury emissions, respectively.

As part of KCGM's A\$98 million Emissions Reduction Project, the Gidji roaster was permanently shut down in June 2015 and replaced with a large ultra-fine grinding (UFG) mill that has eliminated atmospheric stack emissions at KCGM's Gidji processing plant.

"As part of our long-term commitment to continuous improvement, we have looked at alternative forms of concentrate treatment since the 1990s," said KCGM General Manager Ian Butler. "The UFG mills have proven to be a viable alternative for treating gold concentrate, allowing KCGM to fully replace roasting."

The project was a finalist for the government of Western Australia's 2015 Golden Gecko Award for Environmental Excellence, which recognizes leading practice and innovation in environmental management and the contribution to responsible resource development.



**ENVIRONMENTAL STEWARDSHIP** 

# CYANIDE MANAGEMENT



CERTIFIED the new
EMIGRANT OPERATION
for the first time



to The International Cyanide Management Code

Home / Environmental Stewardship / Cyanide Management

#### **Approach**

Today's gold deposits tend to be "invisible," or in more technical terms, disseminated submicroscopic gold. At such low concentrations, chemical extraction is the only viable method of recovering the gold from the ore, with the most effective and economical chemical being sodium cyanide. While safer than alternative chemical agents and a critical ingredient in the manufacturing of hundreds of everyday goods, cyanide can pose health risks to humans, animals and plant life. The right to health has been identified as a salient human rights risk associated with our business activities.

Our commitment to safely and responsibly manage cyanide is stated in our Sustainability and Stakeholder Engagement Policy, and the minimum requirements all sites must meet are stated in our Hazardous Materials Management Standard.

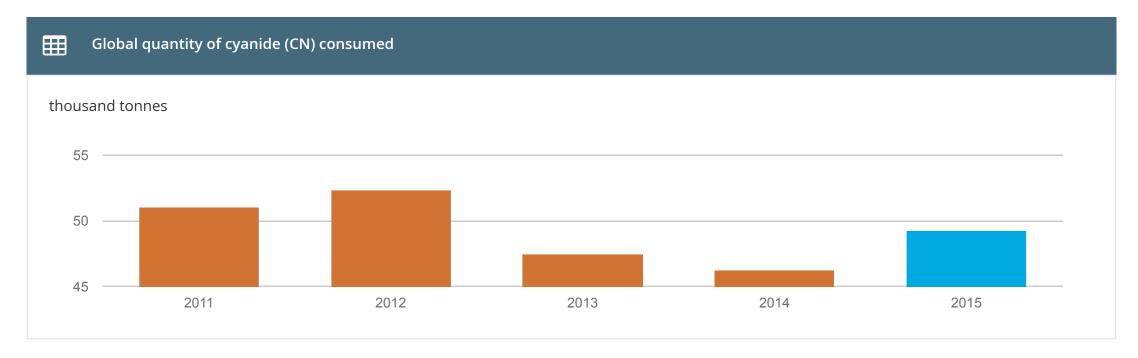
All our gold processing facilities that use cyanide are required to be certified to the International Cyanide Management Code (ICMC or the Code). The Code comprises nine principles intended to improve the lifecycle management of cyanide, reduce exposure of workers and surrounding communities from harmful levels of cyanide, minimize impacts to the environment, and enhance response actions to cyanide releases.

In 2005, Newmont became one of the 14 initial signatories to the Code, which provides the framework for managing cyanide at our operations. Compliance with the Code requires independent third-party verification through an audit process and recertification every three years. We also require new operations that use cyanide to process ore to conduct the initial certification audit within 12 months of commercial production. This requirement is more stringent than that of the Code, which allows new sites and facilities to achieve certification within three years. In addition, sites engage internal and external auditing teams to review Code compliance in the years between formal audit cycles.

Details of our compliance records and copies of the audit documents for each of our mines that use cyanide for processing can be found on the Code website.

#### 2015 Performance

In 2015, Newmont operations used 49,200 tonnes of sodium cyanide. Quantities vary each year due to mineral variations in our ore bodies as well as processing variables.



At year-end 2015, 10 of the 11 Newmont operations that use cyanide were certified as compliant with the Code. The remaining site, Tanami in Australia, was audited late in the year and is expecting its re-certification certificate to be delivered in early 2016 in accordance with the Code certification process. In December, the new Emigrant heap leach facility – which is part of the greater Carlin operation – was certified for the first time. Updated information on certifications is available on the ICMI website.

We rate cyanide-related incidents on a severity scale of one to five, and consider Levels 1 and 2 incidents to be relatively minor and Levels 3 to 5 incidents to be more significant. In 2015, we experienced three Level 3, two Level 4, and no Level 5 cyanide-related incidents.

Our Nevada operations experienced four cyanide incidents:

- A Level 3 incident occurred at the Twin Creeks operation when a pipe carrying treated water to the mill ruptured. Most of the release was contained, the pipe was repaired, and the impacted soils were treated.
- A Level 4 incident at the Carlin operating complex involved a break in a pipeline that caused a cyanide solution to spray out of containment. Pressure sensors on the line notified plant operators, and it was immediately shut down.
- Carlin also had two Level 3 incidents. One occurred when a fuse on a power pole shut down pumps resulting in an overflow of solution out of containment. The other incident occurred when a tank overflowed due to a broken valve.

The Level 4 cyanide incident at Yanacocha was a Level 2 environmental incident due to the containment of the solution within the facility, but was not classified as such because it was a Level 4 safety incident where a worker was hospitalized after being exposed to cyanide due to an uncontrolled discharge of cyanide solution when an outflow pipe from the cyanide storage tank was unclogged without the risks associated with the task being adequately assessed. The worker fully recovered and returned to work, and we provided a detailed report to the Industry Advisory Group (IAG) for the ICMC.

During all these events, the solution did not leave the property, and there was no threat to communities or wildlife. All incidents were reported to the appropriate regulatory authorities, where required, and were cleaned up and remediated.

#### **Future Focus**

In 2016, we will conduct recertification audits at the Lone Tree operation in Nevada. All certified operations will map Cyanide Code requirements to ISO 14001 environmental management system requirements.

#### PIONEERING REAL-TIME CYANIDE MEASUREMENT

Timely and accurate chemical analysis is a critical part of safely and effectively managing cyanide's use in gold mining. Cyanide measurement is challenging – particularly at low concentrations – because it is chemically reactive and easily affected by changes in acidity, temperature, trace metal content, and the presence of sulfur or sulfur compounds.



Common methods for testing the presence of cyanide in precious metal process solutions and treated water involve distillation, oxidization or modifying the pH. Additionally, these methods generally require that the sample be sent to a lab for testing, and it may take several days to get the results. Because chemical or biological reactions can change the composition of test samples when removed from their natural environment, the accuracy of the testing can be questionable.

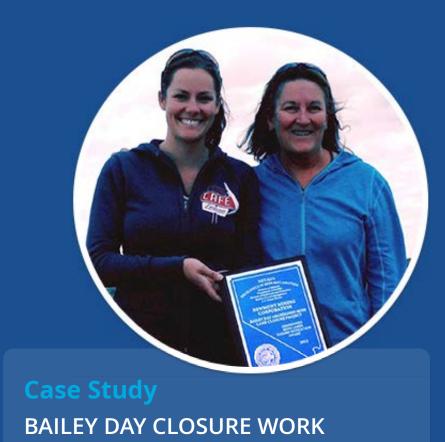
Newmont has been working with a proven technology – called gas-diffusion – and adapting it to slurries and complex gold process solutions so monitoring can be done at the critical points in the field for real-time results. Along with analysis times at just over a minute, gas-diffusion allowed samples show a high degree of accuracy without the sample degradation problems often associated with other testing methods.

Newmont deployed this technology at a number of sites in 2015, and this work continues across our operations. While ISO and ASTM – two international voluntary standards organizations – have certified the gas-diffusion testing method, Newmont is working with regulatory authorities to recognize the method as the standard for cyanide testing and reporting.



**ENVIRONMENTAL STEWARDSHII** 

# CLOSURE AND RECLAMATION





Implemented a
NEW CLOSURE

GOVERNANCE MODEL
that ensures a more balanced,
multidisciplinary approach to
closure planning

Home / Environmental Stewardship / Closure and Reclamation

**RECOGNIZED** →

#### **Approach**

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. The legacy of abandoned or poorly closed mines is one of the most damaging factors to our industry's reputation. Although closure and reclamation practices have improved considerably over the years, events such as the Gold King Mine incident in Colorado – where government regulators inadvertently released 3 million gallons of contaminated wastewater into local waterways – continue to generate negative perceptions of mining.

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 reclamation and closure strategy builds on industry leading practice and is designed to ensure we are taking a technically and financially sound approach to anticipating, understanding and managing our closure obligations. We are refreshing that strategy now to strengthen the accuracy and transparency of our closure and reclamation efforts and aligning 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.

A multidisciplinary Closure and Reclamation Technical Team (CRTT) is responsible for the development and monitoring of the plans and for preparing closure cost estimates annually throughout the mine life.

To minimize the social and economic impact of mine closure, our new 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.

Another important aspect of our commitment is managing historic mine sites. In the past, many mine sites were not reclaimed to today's standards, and today require ongoing passive and active management. We are committed to seeking innovative approaches and applying modern technologies to reduce impacts from historic sites while reducing long-term costs.

#### 2015 Performance

All sites met our global external target to complete concurrent reclamation plans during the year.

While we continually explore opportunities to extend the mine life at all our operations, at the end of 2015 two sites – Yanacocha and Lonetree – were within five years of their expected closure date based on current metal prices and our business plan.

All sites had closure and reclamation plans in place. During the year, an additional 303 hectares globally were disturbed by our operations and 36 hectares "achieved reclamation," meaning that the areas had been reclaimed to meet appropriate success criteria. A total of 3,610 hectares are in various stages of reclamation, bringing the total cumulative disturbed ground not yet reclaimed to 31,932 hectares.

To ensure we leave a positive legacy and meet all legal and regulatory requirements, we accrue funds for reclamation costs relating to currently or recently producing mineral properties in accordance with Financial Accounting Standard (FAS) No. 143. We also have environmental obligations associated with former mining activities and sites that require developing and implementing remediation plans. For more details of Newmont's closure and reclamation costs, please see our 2015 10-K report, pages 7, 73 and 144.

We enhanced our approach to closure planning and management through a new closure governance model that ensures a more balanced, multidisciplinary approach to closure planning and increases senior executive involvement and oversight of closure plans and costs. The governance model consists of a steering committee, working group and regional technical teams.

- The Closure and Reclamation (C&R) steering committee includes senior leaders from key functions and operations and is initially chaired by the Executive Vice President for Sustainability and External Relations.
- The working group is composed of multidisciplinary experts charged with ensuring that the Closure and Reclamation Management Standard and associated guidance are fit for purpose and that implementation is on track and at the level of quality required. In addition the working group will:
  - Review closure plans for conformance with the standard;
  - Assess the accuracy and reasonableness of estimated closure-related costs;
  - Review annual concurrent reclamation plans and assess annual reclamation targets;
  - Ensure closure-related risks are tracked and managed;
  - o Provide regular updates and recommendations to the steering committee; and
  - o Share internal and external best practices across Newmont.

We achieved an important milestone during 2015 related to one of our legacy mines – the Dawn Mining Company Midnite mine, a former uranium mine located within the Spokane Tribe of Indians reservation in the State of Washington. The U.S. Environmental Protection Agency (EPA) approved the site's remedial design, clearing the way for remediation to begin. The design process included extensive engagement with the Spokane Tribe of Indians. This engagement will continue throughout implementation of the remedy over the next 10 years.

#### **Future Focus**

In 2015, our closure and reclamation targets focused on developing plans to incorporate and increase the annual area reclaimed concurrently with operations. Concurrent reclamation reduces our impacted footprint and minimizes the infiltration of water through mine rock and disturbed soils.

<b>O</b> Closu	re and reclamation targets		
YEAR	TARGET DEFINITION	TARGET FOR SITES	TARGET FOR NEWMONT
2016	Percent of concurrent final reclamation	80 percent of Concurrent Final Reclamation Plan achieved	80 percent of planned reclamation activities achieved across Newmont
2017	Percent of concurrent final reclamation activities executed against the site plan	90 percent of Concurrent Final Reclamation Plan achieved	90 percent of planned reclamation activities achieved across Newmont

In 2016, we expect to finalize and implement an updated Closure and Reclamation Management Standard that incorporates more robust guidance on managing the socio-economic impacts of mine closure on host communities.

We will initiate the first remediation phase at the Dawn Mining Midnite mine, under supervision of the U.S. EPA, starting with contractor mobilization, development of site access and implementation of the formal community engagement approach in collaboration with the Spokane Tribe of Indians. We also will continue closure of the Dawn Mill site, which has been underway since 2013. We expect to complete surface reclamation during 2016, and the site will enter a post-closure monitoring period.

#### **BAILEY DAY CLOSURE WORK RECOGNIZED**

In 2015, Clara Trippel and Karen Dowdle, Environmental Coordinators in our North America region, were recognized by the U.S. Bureau of Land Management (BLM) for their efforts toward addressing public safety concerns near the Bailey Day legacy mine site in Nevada. Newmont also received an "Excellence in Mine Reclamation" award for its successful closure of legacy hazards in and around the small, inactive mine.



Although Newmont did not mine Bailey Day, which is on federal BLM property, Newmont does control the claims there. Historic mining at Bailey Day left behind exposed shallow trenches, deep shafts and extensive underground workings.

After trespassers gained unauthorized access to the site, Newmont began work to secure regulatory approvals and address Bailey Day's hazards, which included open underground entrances and shafts.

To ensure the work minimized any impact to local wildlife, existing waste rock was used to backfill openings and create earthen barriers across the pit access road. After the fieldwork was completed, the area was seeded to promote revegetation. The area is now much safer and suitable for people and wildlife.



ENVIRONMENTAL STEWARDSHIP

### **COMPLIANCE**





Home / Environmental Stewardship / Compliance

#### **Approach**

Our Sustainability and Stakeholder Engagement Policy states our commitment to avoid, minimize, mitigate, and/or remediate our impacts on the environment and proactively manage risks. We use fact- and science-based methodologies and leading best practices to demonstrate our environmental stewardship. However, when incidents do occur, we are committed to transparent reporting and full mitigation. Our guiding principles state we will:

- Operate our facilities at all times in compliance with applicable laws and regulations and Newmont standards.
- Adhere to and update environmental standards that are protective of both human health and the environment at the facilities we build and
  operate.
- Develop closure and reclamation plans during the design phase, and implement those plans during operations to provide for long-term environmental stability and suitable post-mining beneficial land uses.

#### 2015 Performance

We rate environmental incidents on a severity scale of one to five, and consider Levels 1 and 2 incidents to be relatively minor and Levels 3 to 5 incidents to be more significant. In 2015, we recorded five significant environmental incidents, with four Level 3 releases related to the use of cyanide. A Level 3 release occurred at our Yanacocha operation in Peru when a contractor's vehicle transporting lime swerved to avoid an oncoming vehicle and overturned, spilled 3 tonnes of lime and 2 gallons of hydraulic oil. The spill was contained and did not affect water bodies, wildlife or human health.

Newmont is a signatory to the International Cyanide Management Code (the Code). In 2015, recertification audits were conducted at the Boddington and Tanami operations in Australia and at the Carlin and Phoenix operations in Nevada. At the end 2015, 10 of the 11 Newmont operations that use cyanide were certified as compliant with the Code. The remaining site, Tanami in Australia, was audited late in the year and is expecting its re-certification certificate in early 2016 in accordance with the Code certification process. In December, the new Emigrant heap leach facility – which is part of the greater Carlin operation – was certified for the first time. Emigrant will be included in the overall Carlin recertification process going forward.

ISO 14001 certification of our environmental management systems is required at all the sites we manage. Annual third-party audits ensure we are working to minimize our environmental impacts, and setting and achieving environmental objectives. All our operations' environmental management systems are

certified to ISO 14001 standards, with the exception of Akyem in Ghana. Akyem commenced the audit process in October 2015 by conducting a third-party pre-certification audit. The final certification is expected in 2016.

Our operating sites also conduct internal and third-party audits and inspections to assess compliance with applicable environmental regulatory laws and commitments. Our operations hosted 120 inspections by regulatory agencies in 2015 and received no sanctions. We did incur four fines totaling \$401,246 related to the following environmental matters:

- We reached a settlement with the State of Nevada and the U.S. Environmental Protection Agency (EPA) regarding mercury releases recorded during inspections in 2007. Newmont did not admit any violation or offense, but agreed to pay two fines totaling \$395,000 to the state and EPA as part of the settlement.
- At our Boddington Operation in Western Australia, Australia's Department of Mines and Petroleum imposed two fines totalling \$6,246 for not meeting the minimum expenditure required on two mining leases under the Mining Act 1978.

Environmental releases by number of incidents					
	2011	2012	2013	2014	2015
Total environmental releases on site	80	68	70	84	43
Total environmental releases off site	0	1	1	0	0
Total environmental releases	80	69	71	84	43
Cyanide releases	80	60	69	76	41
Mercury releases	0	2	0	0	1
Significant hydrocarbon releases	0	3	1	6	1
Significant chemical releases	0	2	1	1	0
Other significant releases	0	2	0	1	0
Total Level 3 releases	6	11	7	9	5
Total Level 4 releases	0	0	0	0	2
Total Level 5 releases	0	0	0	0	0

	2011	2012	2013	2014	2015
Cyanide	834	90	3,373	98.7	582
Mercury release (lbs)	0	0	0	0	0.02
Hydrocarbon (significant)	0	3	1	42	2
Chemical (significant)	0	44	723	40	0
Other (significant)	0	310	0	5	0

Fines and sanctions					
	2011	2012	2013	2014	2015
Total number of fines	1	4	2	4	4
Monetary value of fines	\$8,000	\$161,339	\$104,005	\$119,651	\$401,246
Total number of sanctions	2	0	0	0	0

#### **Future Focus**

We will continue to maintain ISO 14001 certification at all operating sites. The Lone Tree operation is scheduled to undergo International Cyanide Management Code (the Code) recertification in 2016. At our Merian project in Suriname, we also will begin to prepare for the certification audit that will be conducted within 12 months of commencing commercial production, which is expected in late 2016.



ENVIRONMENTAL STEWARDSHIP

# **DATA APPENDIX**



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#### Water

Water consumption					
THOUSAND KILOLITERS (KL)	2011	2012	2013	2014	2015
Total water withdrawn	481,348	534,446	575,965	509,028	503,029
Surface water	46,444	60,678	55,571	52,574	9,595
Groundwater	156,710	167,752	163,612	144,975	124,351
Precipitation	85,017	104,799	105,240	89,884	95,074
Municipal water	1,874	1,791	1,845	1,750	2,275
Ocean water used for processing	47,925	32,213	32,699	30,809	62,687
Ocean water used for cooling	143,378	167,213	216,997	189,036	209,048
Total water consumed (total withdrawn minus total discharges)	203,879	166,595	162,209	146,154	128,874
Total water recycled	272,713	246,435	209,361	229,011	185,742
Total water used (consumed + recycled)	476,592	413,030	371,570	375,165	314,616
Percent recycle total water recycled/ total water used)	57%	60%	56%	61%	59%

Total water discharge by destination					
DESTINATION (THOUSAND KL)	2011	2012	2013	2014	2015
Untreated discharge to external organizations for reuse	635	35,467	923	507	557
Untreated discharge to groundwater	4,091	5,486	21,939	27,374	1,815
Untreated discharge to sewers	-	_	_	-	_
Untreated discharge to surface water	40,255	44,243	61,670	47,109	83,924
Untreated discharge to ocean	143,378	167,213	216,997	189,036	209,048
Total untreated water discharge	188,360	252,408	301,529	264,026	295,344
Treated discharge to surface water by acid water treatment	29,829	32,395	38,018	30,076	29,809
Treated discharge by other	35,680	61,186	54,979	53,220	38,882
Treated discharge by process water treatment	10,337	8,378	6,825	4,051	-
Treated discharge by reverse osmosis	12,979	13,044	11,966	11,066	10,120
Treated discharge by sewage treatment	284	440	440	434	-
Total treated discharge of water	89,109	115,443	112,227	98,848	78,811
Total water discharge	277,469	367,851	413,756	362,874	374,155

Discharges that exceeded metals and/or					
HOUSAND KL	2011	2012	2013	2014	2015
ischarges that exceeded metals nd/or other parameters	4,216	192	1,114	180.9	49.08

Cubic meters of water used per consolidated ounce of gold produced						
	2011	2012	2013	2014	2015	
Consolidated gold ounce equivalents	6,437,862	5,786,432	5,712,761	5,614,780	7,100,653	
Total consumption (fresh + sea water) L/oz Au equivalent	32	29	28	26	18	
Fresh water consumption L/oz Au equivalent	24	23	23	21	9	

#### **Energy and Climate Change**

Total electricity consumption – energy value					
MILLION GIGAJOULES (GJ)	2011	2012	2013	2014	2015
Direct electricity consumption					
Total site-generated electricity (direct energy generation)	9.4	8.8	8.4	7.8	5.5
Diesel power	0.83	0.68	0.72	0.69	0.9
Waste oil	0	0	0	0	.01
Coal-fired power	8.2	7.7	8.5	8.2	5.8
Natural gas–fired power	0.33	0.37	0.37	0	0
LPG/propane power	0	0	0	0	0
Total site-generated electricity sold	0	0	1.15	1.1	1.2
Total site-generated electricity consumed	9.4	8.8	8.4	7.8	5.5
ndirect electricity consumption					
Total grid electricity (indirect energy generation)	6.9	8.7	8.9	9.0	10.0
Grid electricity from renewable sources	4.3	4.0	3.9	3.8	3.5
Grid electricity from non-renewable sources	2.6	4.7	5.0	5.2	6.5
Total electricity consumption direct + indirect)	16.3	17.4	17.4	16.7	15.5

MILLION GJ	2011	2012	2013	2014	2015
Direct non-renewable energy consumption	55.6	51.2	57.2	52.1	45.8
Coal	23.3	22.1	27.4	26.4	18.9
Diesel	24.8	25.4	26.3	22.6	24.4
Waste oil	0.06	0.02	0.03	0.04	0.04
Gasoline	0.2	0.2	0.2	0.1	0.1
Natural gas	3.0	3.0	2.9	1.8	1.8
Propane	0.3	0.2	0.2	0.8	0.3
Heavy fuel oil	4.0	0.3	0.3	0.2	0.2
Aviation fuel	0.03	0.02	0.01	0.03	TR
otal direct renewable energy consumption	0.43	0.41	0.36	0.31	0.3
otal direct energy consumption energy value of primary sources)	56.0	51.6	57.5	52.4	46.0

#### Greenhouse gas emissions (CO<sub>2</sub>e) **MILLION TONNES** 2011 2012 2013 2014 2015 Total direct emissions 4.6 4.3 4.5 4.1 3.8 From coal 2 2.4 2.2 2.1 1.7 From diesel 1.7 1.8 1.8 1.6 1.7 0.003 0.0002 0.0003 0.0003 0.0003 From waste oil 0.01 0.01 .01 From gasoline 0.01 0.01 From natural gas 0.15 0.15 0.09 0.09 0.15 From propane 0.02 0.01 0.01 0.05 0.02 From heavy fuel oil 0.02 0.02 0.02 0.02 0.02 From aviation fuel 0.002 0.002 0.0003 0.002 0.0001 From ANFO 0.01 0.01 0.004 0.002 0.001 0 0 0.002 0.006 0.009 From heavy ANFO From emulsion 0.02 0.02 0.01 0.02 0.02 From autoclave 0.1 0.11 0.11 0.11 0.11 From roasters 0.1 0.09 0.08 0.11 0.11 From quick lime production 0.04 0.04 0.04 0.04 0.04 From ARD neutralization 0.003 0 0.01 0.003 0.003 Sulfur hexafluoride (SF<sub>6</sub>) TR TR TR TR TR Hydrofluorocarbon (HFC) 0.003 0.008 0.01 0 0 Methane (CH<sub>4</sub>) TR TR 0 TR TR Total indirect emissions 1.1 1.2 1.3 1.2 1.7 5.7 5.4 5.8 5.3 5.5 Total emissions

TR = Trace, which is <0.0001

Note: Greenhouse gas emissions are calculated using emission factors from the Climate Registry and Australia National Greenhouse Accounts Factors. We do not track and report Scope 3 emissions.

#### **Waste Management**

₩ Waste produced						
	UNITS	2011	2012	2013	2014	2015
Total waste rock generated	million tonnes	483.6	559.6	568.7	406.6	340.1
Potentially acid-generating waste rock	million tonnes	244.4	288.5	293.4	148.4	105.3
Non-potentially acid-generating waste rock	million tonnes	239.2	271.1	275.3	258.2	234.8
Total tailings	million tonnes	129.8	145.4	173	146.1	135.9
Tailings to surface	million tonnes	96.7	112.3	139.8	124.1	94.6
In-pit tailings	million tonnes	1.3	1.3	1.3	0.01	0.06
Sub-surface tailings	million tonnes	0	0	0	0	0
Sub-sea tailings	million tonnes	31.7	31.8	31.9	21.9	41.2
Total hazardous waste	thousand tonnes	36.2	28.5	63.6	38.9	40.0
Total hazardous waste sent off site but not recycled	thousand tonnes	3.6	4	2.6	2.0	2.9
Total hazardous waste treated/disposed of on site	thousand tonnes	12.3	15.1	35.6	14.1	16.0
Total hazardous waste recycled	thousand tonnes	20.3	9.4	25.4	22.9	21.15
Total non-hazardous waste	thousand tonnes	77.1	72.4	60.4	49.5	46.0
Total non-hazardous waste to landfill (household and industrial waste)	thousand tonnes	29.2	24.2	14.6	13.2	6.9
Total non-hazardous waste sent to other locations	thousand tonnes	22.3	20.3	20.1	7.9	14.39
Total non-hazardous recycled waste removed from site	thousand tonnes	25	27.7	25.7	28.2	24.62
Total non-hazardous waste incinerated	thousand tonnes	0.6	0.1	0.1	0.2	0.05
Elemental mercury (Hg)	tonnes	53.8	39.3	24.8	20.9	12.5

Consolidated production data						
	UNITS	2011	2012	2013	2014	2015
Gold sales	million ounces	5.9	5.58	5.46	4.97	5.51
Copper sales	million pounds	351.7	224.23	227.44	273.2	619.3
Ore mined	million tonnes	188.02	153.91	206.87	220.3	240.8
Ore to leach pad	million tonnes	61.12	62.87	73.38	55.6	54.8
Ore milled	million tonnes	109.77	111.54	115.02	110.8	128.9
Waste rock	million tonnes	506.92	480.87	620.37	398.5	340.1
Total rock removed (ore mined + waste rock)	million tonnes	694.94	634.78	827.24	618.7	580.9

Materials usage						
	UNITS	2011	2012	2013	2014	2015
Cement	thousand tonnes	48	79.3	93.6	81.7	72.8
Cyanide (CN)	thousand tonnes	51	52.3	47.4	46.2	49.2
Grinding media	thousand tonnes	106.6	98.4	104.1	97.7	102.7
Lime	thousand tonnes	470.1	503.1	472.7	483.6	515.8
Tires (by weight)	thousand tonnes	13.8	14	15	12.8	12.2
Lubes	thousand kL	14.3	13.1	13.8	13.2	11.1
HCL	thousand kL	7.2	5.9	6.7	6.7	6.3
H <sub>2</sub> SO <sub>4</sub>	thousand kL	56.3	58.6	58.9	56.5	65.4
Coal	thousand tonnes	1,141.2	1,106.0	1,201.3	1,120.7	926.7
Diesel	thousand kL	640.9	657.9	679.4	588.1	633.9
Waste oil	thousand kL	1.5	0.5	0	1.0	1.1
Gasoline	thousand kL	5	5.3	5.4	4.0	4.1
Natural gas	thousand GJ	2,957.32	2,993.56	2,858.98	1,829.8	1,787.2
Propane	thousand kL	10.4	7.6	6.1	30.0	10.6
Heavy fuel oil	thousand kL	95.7	6.4	6.7	6.4	5.6
Aviation fuel	thousand kL	0.1	0.6	0.4	0.7	0.1
ANFO	thousand tonnes	48.2	36.5	21.9	12.9	7.2
Heavy ANFO	thousand tonnes	0	0.8	9.0	35.3	51.6

84.5

112.6

89.7

79.7

88.3

Emulsion

thousand tonnes

#### **Biodiversity**

#### **Biodiversity impacts UNITS** 9 of 13 Sites in which biodiversity is covered in EIA or similar document number 9 of 13 11 of 14 11 of 13 11 of 11 Mine lease area thousand ha thousand ha Potential area of impact IUCN management areas within area of potential impact thousand ha UNESCO world heritage sites within area of potential impact thousand ha UNESCO man and biosphere reserves within area of potential impact thousand ha RAMSAR wetlands within area of potential impact thousand ha Alliance for Zero Extinction area within area of potential impact thousand ha Key biodiversity areas within area of potential impact thousand ha Important bird areas within area of potential impact thousand ha Total IUCN listed wildlife mortalities number Vulnerable number Endangered number number Critically endangered Near threatened number N/A Least concern number N/A Not specified number Note: Data summary of wildlife mortalities was adjusted in 2012 to include specific data on "Least Concern" and "Near Threatened" mortalities where before they were reported together as not specified. Going forward, data from each of the six categories will be reported individually.

**Air Quality** 

	UNITS	2011	2012	2013	2014	2015
SO <sub>x</sub> (SO <sub>2</sub> )	thousand tonnes	171.6	173.8	171.6	168.2	34.0
NO <sub>x</sub> (NO <sub>2</sub> )	thousand tonnes	6.5	6	6.9	6.4	7.1
PM <sub>10</sub>	thousand tonnes	20.3	21	22.3	19.0	19.8
Carbon monoxide (CO)	thousand tonnes	2.7	2.4	2.5	2.3	2.6
Mercury (Hg)	tonnes	5.2	4.1	3.5	4.0	2.4
Arsenic (As)	tonnes	4.1	4.7	6	4.6	3.9
Lead (Pb)	tonnes	0.9	0.6	0.6	0.5	0.6
Selenium (Se)	tonnes	0.6	3.9	3.8	4.1	0.1

#### **Cyanide Management**

Cyanide incidents						
SITE	•	•	•	•	•	•
Ahafo	0	0	0	0	0	0
Akyem	0	0	0	0	0	0
Boddington	0	0	0	0	1	0
Carlin	0	0	0	0	2	0
Tanami	0	0	0	0	1	0
KCGM	0	0	0	0	0	0
Lone Tree	0	0	0	0	0	0
Phoenix	0	0	0	0	0	0
Twin Creeks	0	0	0	0	5	0
Yanacocha	1	0	0	0	0	0
Total	1	0	0	0	9	0

- - Incidents of cyanide exposure resulting in hospitalization
- - Incidents where release off the mine site required response or remediation
- Incidents where release on or off the mine site resulted in significant adverse effects to health
- - Incidents where release on or off the mine site resulted in significant adverse effects to the environment
- - Incidents where Release on or off the mine site required reporting under applicable regulations
- Incidents where release caused exceedances of applicable limits for cyanide

2015 Cyanide code summary data	
	TOTAL
Incidents of cyanide exposure resulting in hospitalization	1
Incidents where release off the mine site required response or remediation	0
Incidents where release on or off the mine site resulted in significant adverse effects to health	0
Incidents where release on or off the mine site resulted in significant adverse effects to the environment	0
ncidents where release on or off the mine site required reporting under applicable regulations	9
Incidents where release caused exceedances of applicable limits for cyanide	0

#### **Closure and Reclamation**

COUNTRY	RECLAMATION AREA (THOUSAND HA)
Ghana	0.08
Peru	0.55
Nevada	2.39
Australia	0.51
ndonesia (Batu Hijau)	0.08

Amount of land disturbed or rehabilitated					
LAND DISTURBANCE (THOUSAND HA)	2011	2012	2013	2014	2015
New disturbance during reporting period	0.96	1.28	0.66	0.39	0.30
otal reclamation in progress	5.5	4.7	4.3	4.4	3.61
Achieved reclamation (to agreed upon end use) during reporting period	0.08	0	0.06	0.04	0.04
Total disturbance not yet reclaimed to agreed upon end use at end of reporting period	31.8	33.4	33.9	31.7	31.93