



Annual Report on the
Voluntary Principles on Security and Human Rights
Update 2020

Newmont's Implementation of the Voluntary Principles

Newmont's headquarters is in Colorado, USA, with directly managed development projects and operations in Ghana, Australia, Canada, USA, Mexico, Peru, Argentina and Suriname. Our purpose is to create value and improve lives through sustainable and responsible mining.

Strict adherence to the Voluntary Principles (VPs) is a central part of Newmont's commitment to respect and promote human rights, foster strong community relationships, and secure social acceptance for our operations, in a safe and responsible manner. Newmont has been a signatory to the VPs since 2004 and our commitment to the Voluntary Principles remains steadfast despite disruptions caused by the COVID-19 pandemic.

This *Voluntary Principles 2020 Update Report* summarizes the most significant changes to our policies and procedures, reports key events that have occurred in 2020, and highlights our implementation of the VPs in two countries, as per the VPs Reporting Guidelines. Please refer to the *Newmont 2019 Voluntary Principles Annual Report* for a complete detail of the policies and processes in place to respect and promote security and human rights.

(A) Commitment to the Voluntary Principles

Promotion and Reporting of the Voluntary Principles:

Respecting human rights lies at the heart of our sustainability approach. The Voluntary Principles guide how we manage our security operations and help ensure we respect human rights.

In 2020, Newmont publicly reported on our compliance with the VPs in the 2019 Beyond the Mine Report. We also verified that our operations do not contribute to unlawful armed conflict or to serious human rights abuses or breaches of international humanitarian law. Further detail on our approach can be found in our 2019 Conflict-Free Gold Report (dated May 2020), which was externally assured by [Apex](#).

Newmont continued to engage with the VP Initiative as it has in prior years, through virtual sessions convened by the Secretariat.

Due to the pandemic and extensive travel restrictions, we had to adapt our engagement with governments, civil society and local communities. For the most part, government engagement took place virtually and community engagement followed strict safety protocols. An in-person VPs presentation was made to the Mining Chamber in Accra, engagement with public security commissioners in Suriname took place and training was provided for the Zacatecas State Police in Mexico. We expect to return to prior year levels of promoting the VPs as soon as it becomes safe to do so for our employees and stakeholders.

(B) Policies, Standards, Procedures, and Related Activities

Relevant policies, standards, procedures, and/or guidelines to implement the Voluntary Principles:

Newmont has a hierarchy of policies, standards and procedures that define our expectations of the behavior of our employees and supply chain.

In 2020, we updated our Conflict Free Gold Standard. The Standard aims to reduce the risk that Newmont's operations directly or indirectly fund local conflict or violence.

All other policies, procedures and Code of Conduct remain the same.

Promotion within Newmont:

No significant changes have occurred to the VP and human rights training program since 2019. An updated online employee human rights training was released in December 2020. At year end, 794 employees had taken the training, with a more significant uptake expected in 2021.

Risk assessments:

In the past year, our risk assessment process did not change.

Examples of event triggered assessments in 2020: While inspecting the scene of a theft, two guards and one police officer at Ahafo were ambushed and injured by assailants who were hiding from security. Newmont investigated the event and increased the use of technology to examine areas of suspected criminality before any security personnel respond to the area. At Ahafo this resulted in the use of drones and thermal handheld and long-range aerial cameras to reduce the risk of any use of force.

Peñasquito's context risk profile changed due to the presence of armed groups in the area of the mine. As a result of the risk assessment, the mine created additional protocols for any personnel leaving site and traveling to and through local communities (e.g. contractors, community relations personnel), increased use of technology and reduced guard postings in higher risk areas.

Reporting and Investigation of security-related human rights incidents or grievances:

There has been no change in the reporting and investigation process since 2019.

In the past year, private security personnel have not used force when faced with criminal activity.

Contract management with private security providers:

No significant changes since 2019. VP Compliance assessments were not conducted in 2020 due to COVID-19 travel restrictions. We aim to re-initiate compliance efforts as soon as travel restrictions are eased, and our operations consider that it is safe to do so.

2020 Training for Private security guards:

All sites continue their commitment to train all private security personnel on the Voluntary Principles. In 2020, the sites have had to implement physical distancing protocols in all processes including training. The North American sites have developed a hybrid model that delivers content online to guards at their own pace. When the security personnel arrive onsite, our security staff assesses their knowledge of the material and determines if they are apt to work. In 2021, the company will evaluate its success and determine if this model can be expanded to other regions.

Figure 1 - VPSHR Annual Global Training Summary

Region	Site	Number of sessions conducted	Total duration of all trainings (in hours)	Number of Personnel Trained			
				Newmont employees	Public security	Private security	Other External Stakeholders
Africa	Accra [Ghana]	2	6	0	0	21	—
	Akyem [Ghana]	14	21	0	180	6	—
	Ahafo [Ghana]	12	24	0	370	22	VP briefing given at Chamber meeting in early 2020.
North/Central America	CC&V [USA]	8	Self-guided	1	—	8	—
	Eleonore [Canada]	Online	Self-guided	1	—	10	—
	Marlin [Guatemala]	8	8	4	—	40	—
	Musselwhite [Canada]	Online	Self-guided	1	—	6	—
	Peñasquito [Mexico]	Data Not Collected	1,623	3,123	290	240	—
	Porcupine [Canada]	Online	Self-guided	1	—	34	—
	San Martin [Honduras]	1	1	—	—	6	—
South America	Cerro Negro [Argentina]	2	2	19	—	100	—
	Merian [Suriname]	21	43	23	26	141	—
	Yanacocha [Peru]	133	1,540	8	518	538	—
Total		201	3,268	3,181	1,384	1,172	—
						5,737	

Relations with Public Security:

Two new MOUs were entered into with public security at Merian (see Section C for more detail). In the past year, there have not been any major incidents involving public security officers.

Newmont uses its influence and leverage where possible to promote the adherence to humanitarian law by host governments. In 2020, Ghana security personnel facilitated training and human rights workshops for government officials and the Mining Chamber through third party organizations. In Suriname, we engaged with public security commissioners to emphasize the importance of the VPs and guard training. We also continued to monitor all investigations of alleged incidents involving public security officers performing duties onsite.

(C) Country Implementation

For this year's update report we focus on our Merian mine in Suriname and the Peñasquito mine in Mexico.

Suriname:

Newmont operates the Merian mine located approximately 60 km south of Moengo and the adjacent Sabajo Hills exploration project. The mine annually produces 346,000 attributable ounces of gold. Merian provides direct employment to 1,354 employees, 94 percent of whom are from Suriname, and engages roughly 796 contractors. The area of influence includes the Pamaka and Kawina traditional lands and communities.

Merian employs 24 security professionals directly and has 141 private security contractors. The site has engaged with two public security groups to aid with security onsite: the Korps Politie Suriname (KPS), the country's main police force, and the Ordening Gould Sector (OGS) which is focused on small scale mining.

While Suriname is not listed as having conflict at a national or subnational level according to the most recent Heidelberg Institute Conflict Barometer (2019), Newmont actively promotes the VPs with local private and public security.

Engagement with government, public security and civil society in 2020: Newmont finalized its MOU with the KPS and the OGS. As part of the agreement, Merian mine delivered annual training to all KPS and OGS officers. Newmont provides VP briefings to all officers at the Merian mine and Sabajo Hills project prior to conducting perimeter patrols for small scale mining activity. In August, Merian security engaged with the KPS Commissioners to emphasize Newmont's commitment to the VPs and the importance of having all KPS members complete VPs training prior to deployment.

Private security training: Merian renewed its contract with its private security company and increased training from one to two VPSHR training sessions for all members starting in 2021.

In 2020, private security guards received an annual training and daily briefings on the VPs prior to perimeter patrols for small scale mining and bullion shipments.

In order to ensure the safety of our employees and contractors, including our private security, and reduce the risk of spreading the COVID-19 virus, Merian built new housing that complied with physical distancing requirements.

Mexico:

Peñasquito is an open pit mining operation that annually produces 522,000 attributable ounces of gold and 893,000 gold equivalent production from Lead, Zinc and Silver. Peñasquito security consists of nine employees and 270 contractors.

According to the Heidelberg Conflict Barometer, Mexico is the only country ranked 5 (war) on a national level because of drug cartel activities external to the jurisdictions in which Newmont has mining operations. According to the same source, the Zacatecas state of Mexico in which Newmont's Peñasquito mine is located does not exceed a level 3-violent crisis. Despite this, and in the interests of transparency, Newmont fully implemented the sections of the Conflict Free Standard that apply to conflict-affected or high risk areas to ensure full compliance with the Standard.

Promotion activities with government, public security and civil society: The site continued to engage with the Zacatecas government and State Police in response to the increased presence of armed groups in the communities neighboring the mine. State Police have increased their patrols in the area. Peñasquito security provides training to State Police on respect for human rights, the Voluntary Principles, the use of rational and progressive force, and the Newmont Code of Conduct. There were no human rights related incidents involving public security and the operation in 2020.

Engagement with private security contractor: The private security contractor is assessed based on its performance with several indicators, three of which are related to the Voluntary Principles. These include:

- All government background checks up to date.
- % compliance with training program.
- Zero credible complaints from the community about a human rights violation.

In 2020, all private security guards received Voluntary Principles training. No human rights related security incidents were registered by private security.

Promotion with employees and contractors: All employees and contractors complete a 3-day induction that includes information on the VPSHR and human rights. As many of the employees and contractor employees are from the local communities, this helps to promote the site's commitment to the VPSHR with local community members.