

# 2017 Conflict-Free Gold Report

## Newmont Mining Corporation

May 17, 2018

Newmont Mining Corporation (“Newmont”) acknowledges that its license to operate means that it needs to demonstrate that gold has been extracted in a manner that does not cause, support or benefit unlawful armed conflict or contribute to serious human rights abuses or breaches of international humanitarian law. Newmont takes this responsibility seriously and has adopted the World Gold Council’s Conflict-Free Gold Standard (the Standard). This Conflict-Free Gold Report summarizes how Newmont conforms to the requirements of the Standard for the year ended 31 December 2017. The Executive Vice President of Sustainability and External Relations is responsible for implementation, and reports to the Chief Executive Officer as well as the Safety and Sustainability Committee of the Board of Directors, who has ultimate responsibility for Newmont’s compliance.

### Reporting boundary

The reporting boundary of this Conflict-Free Gold Report includes all mining and processing operations over which Newmont has 50% or more control. This is consistent with the reporting boundaries that Newmont publicly discloses in its 2017 Beyond the Mine sustainability report. A link to the reporting boundaries, along with a comprehensive list of Newmont operations included in the reporting boundary is provided in Attachment A.

### Standard’s requirements

The Standard is comprised of assessments Parts A–E:

- Part A – Conflict Assessment
- Part B – Company Assessment
- Part C – Commodity Assessment
- Part D – Externally Sourced Gold Assessment
- Part E – Management Statement of Conformance

Part A of the Standard requires companies to assess whether they are adhering to international sanctions and undertake a risk assessment based upon the recognition of conflict. Applying the Standard’s criteria, operations that are in an area ranked as 5 (war) or 4 (limited war) within the last two years of the Heidelberg Conflict Barometer have been classified as ‘conflict-affected or high-risk’ and must complete all remaining assessments in Parts B–E of the Standard. For operations not considered in a ‘conflict- affected or high-risk’ area and where the company does not transport gold while in the custody of the producer, the remaining assessments are D and E.



## Newmont's evaluation

Following Part A – Conflict Assessment, Newmont concluded that we did not breach any international sanctions and we have no mines considered to be in 'conflict-affected or high-risk' areas, as determined by the previous two years of the Heidelberg Conflict Barometer. We therefore did not undertake Parts B and C assessments as set out in the Standard.

We also complied with Part D – Externally Sourced Gold Assessment. In 2017, no Newmont operation sourced gold-bearing materials from third parties in conflict-affected or high risk areas. Newmont implemented the appropriate Management Statement of Conformance documentation to accompany gold being dispatched from operations as required in Part E.

In conclusion, Newmont was in conformance with the criteria set out in the Conflict-Free Gold Standard for the reporting year ended 31 December 2017.

Newmont engaged the services of the assurance provider, Bureau Veritas, and their independent limited assurance report can be viewed along with this report, and Newmont's Conflict-Free Gold Standard at: [www.Newmont.com](http://www.Newmont.com). Additional information regarding supply chain stewardship can be found in our 2017 Beyond the Mine sustainability report, available at: <https://sustainabilityreport.newmont.com/2017/>.

If users of this report wish to provide any feedback to Newmont with respect to the Conflict-Free Gold Report, they can contact Ed Leblanc at: [Ed.LebLANC@Newmont.com](mailto:Ed.LebLANC@Newmont.com) or Nicholas Cotts at: [Nicholas.Cotts@Newmont.com](mailto:Nicholas.Cotts@Newmont.com).



## Attachment A – Newmont operations considered in this report

Newmont Mining Corporation's Conflict-Free Gold Report includes the following mines.

- Ahafo (Brong Ahafo Region, Ghana)
- Akyem (Eastern Region, Ghana)
- Boddington (WA, Australia)
- Carlin (NV, United States)
- Cripple Creek & Victor Mine (CO, United States)
- Kalgoorlie Consolidated Gold Mines (WA, Australia)
- Long Canyon (NV, United States)
- Merian (Suriname)
- Phoenix (NV, United States)
- Tanami (NT, Australia)
- Twin Creeks (NV, United States)
- Yanacocha (Cajamarca, Peru)

This report does not cover exploration sites or projects under development.

Refer to the 2017 Beyond the Mine annual sustainability report for further details regarding our reporting boundary, available at: <https://sustainabilityreport.newmont.com/2017/overview/about-this-report>.



## Attachment B – Conflict-Free Gold Report: Evidence Summary

### PART A – Conflict Assessment

DOCUMENT/ SOURCE TITLE	DOCUMENT AUTHOR	PURPOSE
International Sanctions List <a href="http://www.un.org/sc/committees/">http://www.un.org/sc/committees/</a> <a href="https://www.un.org/sc/suborg/en/sanctions/un-sc-consolidated-list">https://www.un.org/sc/suborg/en/sanctions/un-sc-consolidated-list</a>	UN Security Council	No sanctions related to Newmont Operations
Sanctions Programs and Country Information <a href="http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx">http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx</a>	U.S. Department of the Treasury	No sanctions against any country where we operate
Newmont Country Risk Assessment Model (Proprietary internal document)	Newmont Mining Corporation	Internal program of ongoing due diligence and monitoring
Conflict Barometer 2017 <a href="file:///C:/Users/10015255/Downloads/ConflictBarometer_2017%20(2).pdf">file:///C:/Users/10015255/Downloads/ConflictBarometer_2017%20(2).pdf</a>	Heidelberg Institute for International Conflict Research	No Newmont operations are located in conflict-affected or high-risk areas
Conflict Barometer 2016 <a href="file:///C:/Users/10015255/Downloads/ConflictBarometer_2016.pdf">file:///C:/Users/10015255/Downloads/ConflictBarometer_2016.pdf</a>	Heidelberg Institute for International Conflict Research	No Newmont operations are located in conflict-affected or high-risk areas

### PART D – Externally Sourced Gold Assessment

DOCUMENT TITLE	DOCUMENT AUTHOR	PURPOSE
Newmont internal Conflict-Free Gold Assessment forms and supporting documentation (shipping manifests, bills of lading, shipper contracts and related evidence) signed and certified by regional leadership, provided to external assurance provider for review.	Newmont Mining Corporation	Confirmation from each site that there has been no externally sourced gold originating in conflict-affected or high-risk areas



## **PART E – Management Statement of Conformance**

Newmont Mining Corporation confirms, to the best of our knowledge, that the gold produced by Newmont-operated mines in the United States, Peru, Suriname, Ghana, and Australia does not, in any way, contribute to armed conflict or human rights abuses or breaches of international humanitarian law.

The mining operations covered in this report have the appropriate systems and controls in place to conform to the World Gold Council's Conflict-Free Gold Standard and the company's Conflict-Free Gold report for 2017 was subject to independent assurance. The report is available at: [www.newmont.com](http://www.newmont.com).

This Statement of Conformance is provided by Newmont Mining Corporation as part of the conformance requirements for the World Gold Council's Conflict-Free Gold Standard and to provide good faith representation to the next participant in the chain of custody.



**Independent Assurance Statement**  
**NEWMONT MINING CORPORATION**  
**Conflict-Free Gold Assurance Statement**

**May 25, 2018**

**Summary:**

Bureau Veritas North America, Inc. (Bureau Veritas) was engaged by Newmont Mining Corporation (Newmont) to provide reasonable assurance over their Conflict-Free Gold Report (CFG Report) for the period of January 1 through December 31, 2017.

Nothing has come to our attention that would lead us to believe that Newmont's CFG Report was not prepared and presented in accordance with the requirements of the Conflict-Free Gold (CFG) Standard (October 2012). The information and data included in the scope of our assurance are accurate, reliable and free from material mistake or misstatement. It is our opinion that, based on the evidence presented, Newmont does not produce gold from conflict-affected or high risk areas as defined by the CFG Standard.

The supporting evidence from Newmont addressed the relevant elements of the CFG Standard, specifically Parts A, D and E. During the assurance engagement we identified the need for additional documentation in support of the assertion. These issues were satisfactorily addressed by Newmont.

**Scope:**

The assurance scope consists of Newmont's CFG Report, dated May 17, 2018. Newmont's CFG Report follows the same scope, boundaries and other reporting parameters as those in the company's annual sustainability report (<https://sustainabilityreport.newmont.com/2017/>).

**Responsibilities:**

The management of Newmont is solely responsible for the preparation and presentation of the CFG Report in accordance with the CFG Standard. This responsibility includes establishing appropriate risk management and internal controls from which the reported information is derived.

Our responsibility is to carry out the assurance engagement and to express a conclusion based on the work performed. Our independent assurance procedures are based on the International Standard on Assurance Engagements ISAE 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (effective for assurance reports dated on or after December 15, 2015) and the World Gold Council's Conflict Free Gold Standard, Guidance for Assurance Providers (October 2012).

This assurance statement has been prepared for Newmont for the purpose of determining whether the company has complied with the CFG Standard and for no other purpose. This assurance statement is provided for Newmont in accordance with the terms of our engagement. We are not responsible to

anyone other than Newmont for our work, or for the conclusions we have stated in the assurance statement.

### **Reasonable Assurance Procedures:**

We planned and performed our work to obtain the evidence, information and explanations considered necessary in relation to the assurance scope. These procedures included:

- Enquiries of management to gain an understanding of Newmont's processes and risk management protocols in place,
- Enquiries of relevant corporate staff responsible for the preparation of the CFG Report,
- Visit to the corporate head offices,
- Assessing the suitability of the policies, procedures and internal controls that Newmont has in place to establish conformance with the CFG Standard,
- A review of the supporting documentation, and
- Testing a selection of the underlying processes and controls which support the information in the CFG Report.

### **Inherent Limitations:**

Non-financial information, such as that included in the CFG Report, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the subject matter and the methods used for determining such information.

### **Independence, Integrity and competency:**

Bureau Veritas is an independent professional services company that specialises in quality, health, safety, social and environmental management with more than 185 years history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas operates a certified<sup>1</sup> Quality Management System which complies with the requirements of ISO 9001:2008, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA)<sup>2</sup>, across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and high ethical standards in their day-to-day business activities.



John A. Rohde  
Senior Project Manager  
Bureau Veritas North America, Inc  
Denver, Colorado



David Reilly, Technical Reviewer  
Senior Project Manager  
Bureau Veritas North America, Inc.  
Costa Mesa, California

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<sup>1</sup> Certificate of Registration No. 44 100 160145 issued by TUV Nord

<sup>2</sup> International Federation of Inspection Agencies – Compliance Code – Third Edition