Background

Modern slavery is the term used to describe human trafficking, slavery and slavery-like practices such as servitude, forced labor and debt bondage. The International Labor Organization (ILO) estimates that there are approximately 40 million victims of modern slavery a year\(^1\).

This is the third update since 2018 when Newmont published its first Statement on our actions to address modern slavery. We remain committed to open and transparent reporting on the challenges we face in this area. This statement reflects our commitment to respecting human rights and highlights key actions we are taking to address risks in our own operations and our supply chain associated with modern slavery.

\(^1\) [https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_575479.pdf](https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_575479.pdf)
Structure, Business and Supply Chain

Newmont is the world’s leading gold company and a producer of copper, silver, zinc and lead. As of December 31, 2021, we had approximately 14,400 employees and 16,600 contractors working on our behalf across our significant operations in North America, South America, Australia and Africa. The countries where we operate vary significantly in terms of potential risks associated with modern slavery (as shown in the table below). Despite a country's risk ranking, we recognize that modern slavery risks may exist in any jurisdiction. For that reason, our approach to supplier risk management is global.

A summary of our assets and modern slavery risks identified by the Global Slavery Index\(^2\) is below.

<table>
<thead>
<tr>
<th>Asset (100% owned)</th>
<th>Country</th>
<th>Prevalence Index rank out of 167 countries. The lower the number the more prevalent the risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ahafo</td>
<td>Ghana</td>
<td>71</td>
</tr>
<tr>
<td>Akyem</td>
<td>Ghana</td>
<td>71</td>
</tr>
<tr>
<td>Peñasquito</td>
<td>Mexico</td>
<td>114</td>
</tr>
<tr>
<td>Cerro Negro</td>
<td>Argentina</td>
<td>157</td>
</tr>
<tr>
<td>Cripple Creek &amp; Victor (CC&amp;V)</td>
<td>USA</td>
<td>158</td>
</tr>
<tr>
<td>Boddington</td>
<td>Australia</td>
<td>163</td>
</tr>
<tr>
<td>Tanami</td>
<td>Australia</td>
<td>163</td>
</tr>
<tr>
<td>Éléonore</td>
<td>Canada</td>
<td>166</td>
</tr>
<tr>
<td>Musselwhite</td>
<td>Canada</td>
<td>166</td>
</tr>
<tr>
<td>Porcupine</td>
<td>Canada</td>
<td>166</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Asset (50% or more)</th>
<th>Country</th>
<th>Prevalence Index rank out of 167 countries. The lower the number the more prevalent the risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Merian (75%)</td>
<td>Suriname</td>
<td>125</td>
</tr>
<tr>
<td>Yanacocha (95%)</td>
<td>Peru</td>
<td>118</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Asset (under 50%)</th>
<th>Country</th>
<th>Prevalence Index rank out of 167 countries. The lower the number the more prevalent the risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pueblo Viejo (40%)</td>
<td>Dominican Republic</td>
<td>87</td>
</tr>
<tr>
<td>Nevada Gold Mines (38.5%)</td>
<td>USA</td>
<td>158</td>
</tr>
</tbody>
</table>

\(^2\) https://www.globalslaveryindex.org/2018/data/maps/
The mining industry has complex global supply chains. Our supply chain activities cover the full life cycle of the mine from exploration through to post-closure and include: the procurement of goods (for example equipment and bulk commodities); operational and technical services (for example transportation and logistics); and administrative and support activities.

Each year, Newmont procures goods and services from thousands of suppliers worldwide, including many local suppliers based near our projects and operations.

We believe the following categories of goods and services to be potentially “high risk” for modern slavery:

- **some process maintenance services** (including painting and sandblasting);
- **specific bulk commodities** (including lime, sand and gravel and cement);
- **transport and logistics** (including ocean freight and warehouse operations services);
- **technical engineering and construction services** (including reclamation activities); and
- **administrative and support activities** (including cleaning, repairs, accommodation and security).
POLICIES

We do not tolerate any form of slavery, human trafficking, or compulsory, forced or child labor. Our Code of Conduct (Code) defines the expectations of behavior for Newmont employees and business partners, including suppliers working with us or on our behalf. The Code explicitly refers to the fundamental human rights of the people where we operate and those with whom we work.

Our Sustainability and Stakeholder Engagement Policy outlines our commitment to the UN Guiding Principles on Business and Human Rights (Guiding Principles). This commitment is further elaborated on in our Human Rights Standard, which reflects the minimum requirements to which all sites must adhere. In line with this standard, human rights clauses are included in our contracts with suppliers. These clauses expect a commitment consistent with the Universal Declaration of Human Rights, which includes labor rights aligned to the ILO Declaration on Fundamental Principles and Rights at Work. Our contracts also include requirements for suppliers to report any human rights issues in their supply chain of which they become aware.

Our People Policy prohibits engaging in or condoning, any form of child, forced or compulsory labor at any of our sites. We also have a Supplier Code of Conduct, which has a clause on human rights and labor issues outlining our zero tolerance for discrimination, harassment, workplace violence, bullying or child and forced labor. The clause applies to supplier’s own or their affiliates’ operations or the operations of other companies within their own or their affiliates’ supply chains. It also includes requirements about the timely payments of salaries and benefits to employees, sub-contractors and sub-suppliers and the need to address complaints or grievances expeditiously.

Our Stakeholder Relationship Management Standard includes requirements for all sites to have complaint and grievance mechanisms in line with the Guiding Principles.

GOVERNANCE

We have a global cross-functional human rights working group consisting of representatives from sustainability and external relations, legal, business integrity and compliance, supply chain, human resources, health, safety and security, risk and communications. The working group provides oversight and expertise on a range of human rights issues, including modern slavery. Our regions are also required to have cross-functional human rights working groups.

Through contract terms, MOUs, standard operating procedures and supplier trainings, we make our suppliers and business partners aware of our human rights commitments including commitments to the Voluntary Principles on Security and Human Rights, the requirements in our Cultural Heritage, Indigenous Peoples, and Water Management standards. We reinforce these commitments with governments, joint venture partners, (even where we are not the operator) and minority interests.
Modern slavery risks incorporated into the Supplier Risk Management Program

The approach we take to human rights due diligence across our operations is based on the Guiding Principles. Our Supplier Risk Management program (SRiM) aligns to the Guiding Principles and rollout began in 2018. This program has a number of controls in place that help mitigate risks across the supplier “lifecycle” as shown below.

**Communication**
- External reporting on labor issues in Annual Sustainability Report

**Supplier Pre-qualification**
- Criteria on labor issues and modern slavery risks

**Risk Assessments on Scope of Work**
- Modern slavery issues considered when assessing risks from scope of work

**Performance Management and Measuring Effectiveness**
- Supplier audits cover labor rights issues
- KPIs against supplier management plans

**Prevention and Mitigation**
- Supplier management plans based on risk assessment

**Remedy**
- Site-level grievance mechanisms can capture modern slavery related issues
- Integrity Helpline can accept modern slavery related topics
RISK ASSESSMENTS AND MANAGEMENT

Identification of country risks

One of the many risk management systems we have put in place is our Geopolitical Risk program, which aligns with our overall risk management approach and incorporates key risk indicators, including human rights indicators, to inform significant investment decisions and risk management strategies. The program includes two tools — the geopolitical risk model that quantifies and qualifies top risks for investments decisions and a geopolitical risk investment report framework. The framework assesses the top risks identified through cross-functional due diligence, which considers the following modern slavery related human rights: labor issues, personal integrity and security of person, freedom of expression, freedom of association and minority rights.

Integrating human rights into risk assessments

In addition to the contract terms for suppliers, our Human Rights Standard requires sites to integrate human rights into their existing processes. They must identify human rights issues on an ongoing basis through: engagement with external stakeholders, ongoing risk and impact assessments, events, and complaints and grievance mechanisms. Some sites have also chosen to undertake standalone Human Rights Impact Assessments (HRIAs), which include supply chain issues in their scope. To date, we have conducted standalone human rights assessments in Ghana, Peru, Suriname and, when it was operating, a former Goldcorp mine in Guatemala.

Remedy

Any concerns, including those around modern slavery, can be raised through our site-level complaints and grievance mechanisms or our Integrity Helpline (online or by phone), which is a confidential channel for workers and external stakeholders.

We require that our suppliers remedy complaints or grievances expeditiously (see Supplier Code of Conduct). Where they do not have their own mechanism, they may direct complainants to our local mechanisms or the Integrity Helpline. We prohibit any form of retaliation against anyone raising a human rights issue or concern and expect those we work with to do the same. We reinforce our anti-retaliation provision of the Code of Conduct when employees present questions or complaints of violations of our Code of Conduct. Similarly, we prohibit retaliation against any other stakeholder for raising human rights related complaints and concerns. Our Integrity Helpline supports this by enabling the reporting of anonymous complaints or concerns through a third party.
**TRAINING**

Our Human Rights Standard requires that all sites conduct human rights training. Past trainings have included details around the ILO Conventions and scenarios around child labor and the use of forced labor by a supplier. In addition to global online trainings, some regions undergo standalone in-person human rights training and others have incorporated it into their existing training programs, for example on the Voluntary Principles on Security and Human Rights. In 2018, we initiated an online training program for suppliers, which is now on its third iteration. The trainings highlight red flags around freedom of association and collective bargaining including: direct interference with workers attempting to exercise their legal rights, intimidation and discrimination and improper influence. It also includes effective practice, promoting supplier policies to respect workers' rights to freedom of association and collective bargaining and commitments to monitor whether workers are aware of their rights and have no fear of penalty or consequences for engaging in union or other worker organization activities.

Online employee trainings have also been released regularly since the first version in 2018. All versions have included information on modern slavery with examples on how to identify it. The 2020/2021 version of the training was taken by over 3,000 employees.

**SUPPLIER AUDITS**

We began supplier human rights audits in 2019 working with Verité — an independent nonprofit civil society organization working to address labor rights issues in supply chains. Verité helps identify remedies that benefit workers and companies alike as part of human rights audit programs. Our first audits for three suppliers in Peru and Ghana identified a need to improve worker protections such as having policies in place that explicitly reference international human rights standards, hiring from local communities, providing adequate rest, paying wages on time, and providing adequate provisions to their employees.

In 2020/2021, additional suppliers in Australia, Ghana and Peru were audited after a process to redesign the audits to be completed virtually. Key findings included the following:

- Policy gaps in the suppliers’ frameworks
- Lack of training on human rights for suppliers’ employees
- The perception of discriminatory questions asked during worker interviews
- The lack of complaints and grievance mechanisms that allow for anonymous reporting of concerns
- The use of temporary contractors for roles that should have been filled by permanent employees

We work directly with suppliers to address any findings. In Ghana, where two audits were initiated but not completed due to a lack of buy-in from the suppliers and constraints with conducting remote audits during the pandemic, early findings raised issues with sub-contractors working without contracts. Additional evidence was sought and provided, and the suppliers have been flagged for a follow-up audit.
TRACKING EFFECTIVENESS

Since the rollout of our Supplier Risk Management program, the pre-qualification process for suppliers has been effective in identifying potential risks in our supply chain. This has resulted in follow-up with a number of suppliers, deemed higher risk from a human rights perspective, to encourage engagement with the online training program or to flag them for participation in our audit program.

We track performance through our complaints and grievance mechanisms that capture issues related to suppliers and publish actual or potential impacts in our Annual Sustainability Report. The most common complaint related to suppliers is late payments to sub-contractors. In these instances, we work with the suppliers to resolve issues within their workforce. We have a public target to respond to, address, track and, if necessary, escalate 100 percent of tier 1 complaints within 30 days. Across all complaints received in 2021, 444 of 461 (99 percent of) complaints were responded to, addressed and/or escalated within 30 days. Of the 10 sites that received complaints in 2021, eight met their target. Two sites — CC&V and Ahafo — addressed 91 percent and 99 percent, respectively, of the tier 1 complaints within 30 days.

We have had human rights and supply chain targets in place since 2018, which initially focused on incorporating human rights into pre-qualification, training and audits for suppliers. In 2021, they were broadened to include implementing risk mitigation plans for 60 percent of new contracts with suppliers that have been identified as having an elevated likelihood of impacting human rights. In 2021, we met our target in Australia and Peru but not in Ghana. Further detail on targets is reported in our Annual Sustainability Report.

LESSONS LEARNED

Several lessons relevant to human rights related risks have emerged from the rollout of our Supplier Risk Management program. First, we have realized that human rights risks can exist in any jurisdiction in which we operate, regardless of how strong the rule of law or legislative frameworks are in that country. Second, we have learned that we cannot rely entirely on an automated system (such as our pre-qualification system) to provide an accurate assessment of risk. While the automated system gives some indication of the risk of certain suppliers, it may flag too many low-risk suppliers or not enough high-risk suppliers. We have come to understand it is necessary to review the automated data with our regional teams who have an awareness of the supplier, their current controls and the type of goods or services they provide. While this takes more time, it provides a more accurate assessment and identification of risk. Finally, we have struggled with supplier uptake of human rights training with suppliers who were issued it after the commencement of a contract. We will explore ways to embed a requirement for training into our contracting processes so a supplier must complete it prior to their contract being finalized.
COLLABORATION AND LEARNING FROM OTHERS

Recognizing the value of collaborating with our peers to learn from others and internalize best practices, we are members of several industry groups and multi-stakeholder initiatives. As members of the International Council on Mining and Metals (ICMM), we participate in discussions on human rights. Through the Business for Social Responsibility's human rights working group, we have learned valuable lessons from a variety of other sectors on modern slavery.

FUTURE ACTIVITIES

Future activities include:

- Rollout of updated human rights pre-qualification questions to provide a more accurate assessment of human rights risks
- Ongoing rollout of our training program
- Continued remediation of substantiated complaints through our site-level complaints and grievance mechanisms and global Integrity Helpline
- Identification of other areas to reinforce human rights messages with suppliers (e.g., onboarding processes)

This statement provides a high-level overview of information that is detailed further in other reports. For more details on our human rights program including: the risk mitigations in place for suppliers throughout the supplier lifecycle (including pre-qualification, training and audits), using leverage with business partners, complaints and grievance mechanisms and training information, see Respecting Human Rights: Our Approach. Annual human rights data, including progress against human rights targets, is available in our Annual Sustainability Report.