



Tax Contribution Report 2022



Message from our Interim Chief Financial Officer

I am pleased to present our annual Tax Contribution Report for Newcrest Mining Limited and its controlled entities (Newcrest) for the Financial Year ending 30 June 2022 (FY22). This report elaborates on our tax position for FY22 whilst highlighting the taxes and royalties paid in Australia and globally.

In a year confronted by the ongoing impacts of COVID-19 including border closures, floods, worldwide supply chain interruptions and inflationary cost pressures, our 2022 achievements would not have been possible without the resilience and commitment of our people.

In 2022, our key highlights included our newly acquired Brucejack mine in British Columbia, Canada. Brucejack is located in the highly prospective Golden Triangle region and is one of the highest grade operating gold mines in the world. Also as a part of our transition to sustainable energy use at our operations, we partnered with Tilt Renewables who commenced construction on the Rye Park Wind Farm in New South Wales, Australia which is the underlying asset for our 15-year renewable Power Purchase Agreement to power the Cadia mine. Further, through our engagement to deliver sustainable long-term benefits to local communities, we funded 67 initiatives from the Newcrest Community Support Fund with a total value of A\$11.4m as of 30 June 2022. The initiatives ranged from immediate health assistance to livelihood restoration and economic recovery across Papua New Guinea, Australia, Canada (British Columbia), Ecuador and Fiji.

In FY22 alone, Newcrest paid US\$616 million in taxes and royalties globally (FY21: US\$563 million) and had a global effective tax rate of 29% (FY21: 30%). Over the last 5 years, Newcrest has contributed approximately US\$2.5 billion globally in taxes and royalties to local governments.

The taxes and royalties paid by Newcrest make a key contribution to the economies in which we operate and we work pro-actively with tax authorities to ensure that we comply with the tax laws and regulations that impact our business.

We are a supporting member of the [Extractive Industries Transparency Initiative \(EITI\)](#), a global coalition of governments, companies and societies working to improve openness and accountable management of revenue from natural resources. Also, in Canada, we report in accordance with the Extractive Sector Transparency Measures Act. FY22 reporting under this Act can be accessed [here](#).

These transparency initiatives supplement our annual [Sustainability Report](#) which outlines our economic, environmental, social and governance performance in detail.

We hope this publication contributes to a well-informed community understanding of Newcrest's tax and other contributions and its approach to taxes.



A handwritten signature in dark ink, appearing to read 'Dan O'Connell'.

Dan O'Connell
Interim Chief Financial Officer

About Newcrest

Newcrest is the largest gold producer listed on the Australian Securities Exchange (ASX, TSX, PNGX: NCM) and is one of the world's largest gold mining companies. Newcrest's principal activities are exploration, mine development, mine operations and the sale of gold and gold/copper concentrate.

Newcrest has a proud history of exploration, discovery, development and operation of gold mines. We focus on long-term value creation for our shareholders.

OUR VALUES



Caring about people



Integrity & honesty



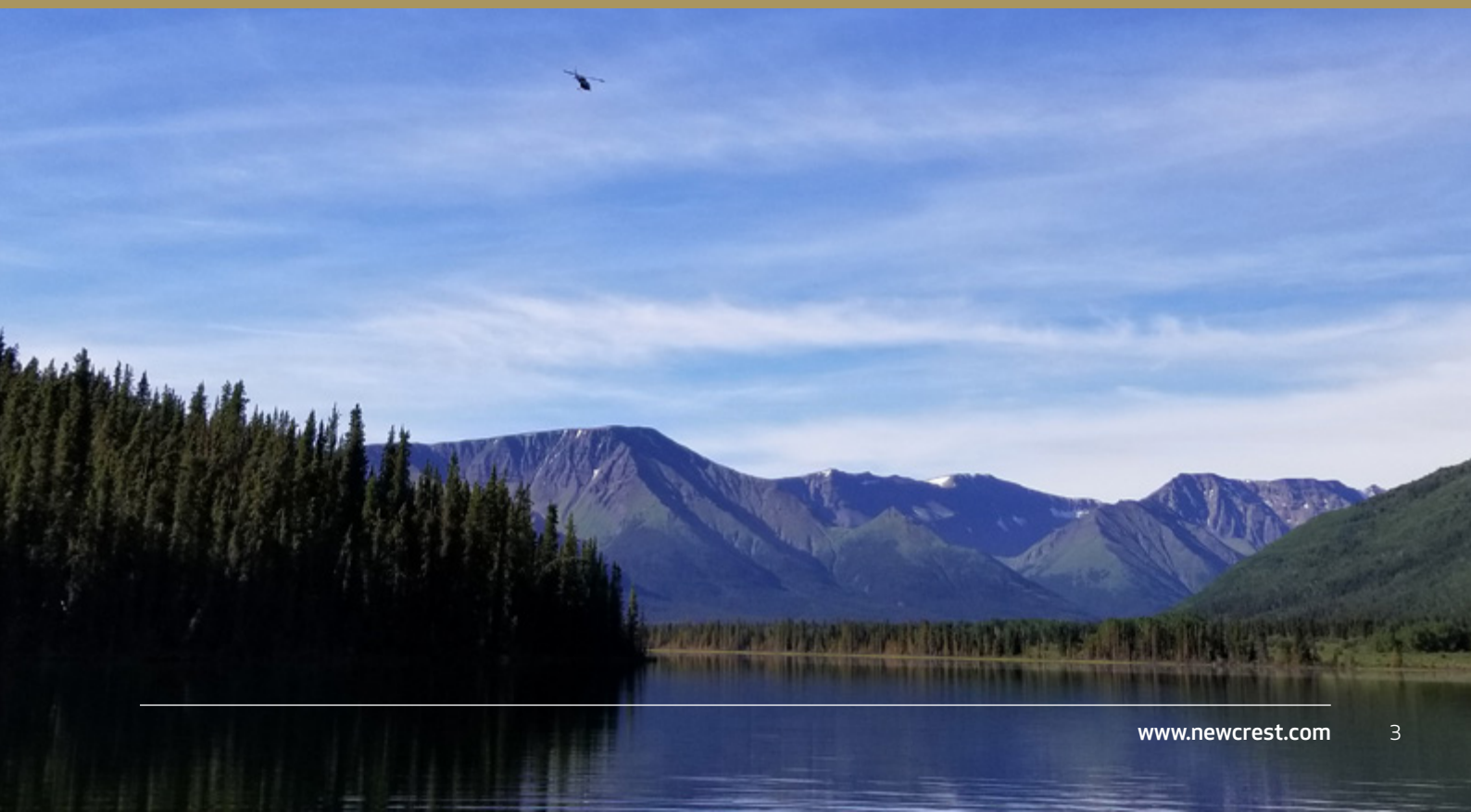
Working together



Innovation & problem solving



High performance



OUR PURPOSE

To create a brighter future for people through safe and responsible mining.

OUR VISION

To be the Miner of Choice:

- Valued by our people and communities
- Respected by our partners, customers, suppliers and peers
- Celebrated by our owners

OUR EDGE

Collaboration, innovation and an owner's mindset

OUR STRATEGY

Forging an even stronger Newcrest

OUR ASPIRATIONS



We are a safe and sustainable business.

Everyone goes home safe and healthy every day. Communities trust us because of our environmental and social performance.



We have the best people.

We have a high-performance, inclusive culture where everyone can thrive and excel.



We are outstanding operators.

We safely operate our assets to their full potential.



We are a leader in innovation and creativity.

We create lasting value through audacious breakthroughs.



We grow profitably.

We have an industry leading portfolio that delivers superior returns and growth.



FY22 results

Newcrest reported a full-year profit after income tax of US\$872 million¹ in FY22, underpinned by annual production of 1.96million ounces of gold² and 120.7 thousand tonnes of copper. Free cash flow for the year before M&A activity was US\$299m. Free cash flow including M&A activity was negative US\$868m.³

On 9 March 2022, Newcrest completed the acquisition of the Brucejack mine in British Columbia. Brucejack has contributed an additional 114 thousand ounces of gold production and profit before tax of US\$109m during its four-month ownership period.⁴

Studies on major projects were also progressed during FY22 including Prefeasibility and Feasibility Studies relating to Red Chris Block Cave, Havieron Stage 1, Lihir Phase 14A and Cadia PC 1-2.

Please refer to our 2022 Annual Report that is available on our [website](#) for further details.

Our operating assets as at 30 June 2022



Cadia

Located in central west New South Wales, 25 kilometres south-west of Orange and 250 kilometres west of Sydney, Cadia has one of the deepest panel caves in the world and is 100 per cent owned by Newcrest.

FY22 Production: **561koz Au, 85kt Cu**
FY22 AISC: **US\$(\$124)/oz**



Lihir

One of the world's largest gold producing mines, Lihir is 100 per cent owned by Newcrest and located on the island of Niolam which is part of the Lihir group of islands, 900 kilometres north-east of Port Moresby in the New Ireland Province of PNG.

FY22 Production: **687koz Au**
FY22 AISC: **US\$1,622/oz**

¹ All data relating to operations is shown at 100%, with the exception of Red Chris which is shown at 70%. Newcrest's profit also includes the share of profits and losses attributable to its non-controlling interests.

² Group gold production, gold sales and AISC includes Newcrest's 32% attributable share of Fruta del Norte through its 32% equity interest in Lundin Gold Inc. The outcomes for Fruta del Norte have been sourced from Lundin Gold Inc's news releases and have been aggregated to reflect the twelve-month period ended 30 June 2022.

³ Primarily due to a net outflow of US\$1,097 million relating to M&A activities.

⁴ In accordance with accounting standards, the acquisition date has been determined to be 25 February 2022 which was the effective date Newcrest acquired control over Pretium.

Our operating assets as at 30 June 2022 (continued)



Telfer

The Telfer gold-copper mine is located in the Great Sandy Desert in Western Australia, approximately 400 kilometres south-east of Port Hedland, and is 100 per cent owned by Newcrest.

FY22 Production: **408koz Au, 14kt Cu**

FY22 AISC: **US\$1,388/oz**



Red Chris

The Red Chris gold-copper open-pit mine is located in north west British Columbia, Canada, 1,700 kilometres from Vancouver. In August 2019, Newcrest acquired a 70 per cent ownership interest and operatorship of Red Chris in a joint venture with Imperials Metals Corporation.

FY22 Production¹: **42koz Au, 21kt Cu**

FY22 AISC: **US\$1,349/oz**



Brucejack

The Brucejack mine is located in the highly prospective Golden Triangle region of British Columbia, Canada, approximately 140km away from Newcrest's majority-owned and operated Red Chris mine. Brucejack is one of the highest grade operating gold mines in the world which commenced production in July 2017.

On 9 March 2022, Newcrest completed the acquisition of Pretium Resources Inc (Pretium) which owned the Brucejack mine. In accordance with accounting standards, the acquisition date has been determined to be 25 February 2022 which was the effective date Newcrest acquired control over Pretium.

FY22 Production: **114koz Au⁵**

FY22 AISC: **US\$1,125/oz⁶**

⁵ All Brucejack figures relating to FY22 represent the period since Newcrest's acquisition.

⁶ All Brucejack figures relating to FY22 represent the period since Newcrest's acquisition.

Our Exploration growth potential advancing across all regions

In FY22, Newcrest continued its search for new discoveries with greenfield and brownfield exploration activity undertaken in Australia, Canada, USA, Ecuador and Chile. Activity has been focused in and around fertile gold/copper districts including the Paterson Province (Western Australia), Golden Triangle of British Columbia (Canada), Nevada (United States), Chile and Ecuador. Exploration activity in FY22 was also focused on expanding the Mineral Resource base at Havieron and Red Chris to support the respective Feasibility Studies as well as commencing exploration activity at Brucejack following the acquisition of Pretium.

Drilling at Havieron transitioned from Greenfield to Resource Definition to support the Havieron Feasibility Study, with overall drilling activity at Havieron decreasing during the period.

Brownfield expenditure at Red Chris increased with activity focused on East Ridge and Brownfield and resource definition expenditure incurred at Telfer with activity focused on potential mine life extensions.

There was increased expenditure in Chile and Ecuador with the easing of COVID-19 related restrictions. In North America, the increase in spend was driven by increased drilling activity at Red Chris.

Copper-Gold

Cadia: Multi decade gold-copper mine

Red Chris: Future potential Tier 1 copper-gold deposit globally¹

Paterson: Havieron future mining options

Namosi: Leverage to copper demand



Higher Grade Gold

Brucejack: High grade gold mine

Fruta del Norte: High grade gold mine



¹ Newcrest defines Tier 1 assets as those having potential for >300kozpa Au at <US\$800/oz AISC with a potential mine life >15 years (preferred) and significant resource or exploration upside likely. Newcrest defines Tier 2 assets as those having potential for >200kozpa Au at <US\$900/oz AISC with a potential mine life >10 years (preferred) and moderate resource or exploration upside likely. Classification of assets as Tier 1 or Tier 2 is not dispositive of, and does not necessarily imply, the materiality of such assets to Newcrest.

² Newcrest has a 70% joint venture interest in the Red Chris mine.

³ Newcrest has a 70% interest in the Havieron Project (Greatland Gold 30%).

⁴ Newcrest has a 32% equity interest in Lundin Gold Inc, the owner of the Fruta del Norte mine.

⁵ Post FY22, Newcrest exited Silencio (Chile), Mioceno (Chile), Gorbea (Chile) and Sylvanite (Canada).

Our Tax Policy and governance

Tax Policy

We recognise that Newcrest's long-term success is tied to the fiscal contributions it makes in all the countries in which we undertake activities. Our vision is to be the Miner of Choice and that involves acting with integrity and honesty in all tax matters and paying our fair share of taxes in a timely manner.

Newcrest makes the following commitments:

1. Tax Risk Management and Governance

Newcrest is committed to a robust risk management and governance framework to manage its tax risks and processes. Newcrest upholds this commitment through compliance with Newcrest Code of Conduct, the Groupwide Risk Management Framework and the Tax Governance Framework.

2. Revenue Authority and Government Engagement

Newcrest will act with integrity and respect in all dealings with Revenue Authorities or Government bodies. Newcrest will engage proactively and communicate constructively with all Revenue Authorities and Governments to positively contribute to efficient, effective and competitive tax systems in all jurisdictions in which Newcrest carries on its business.

3. Transparency

Newcrest acknowledges the important role that tax transparency plays in improving community confidence in the tax system. Newcrest will be transparent about the taxes and royalties paid to Governments in a timely manner.

4. Compliance

Newcrest will fully comply with all applicable tax laws in the jurisdictions where it has a presence. Newcrest will manage its tax affairs in a responsible manner to ensure all required tax lodgements and payments are always made in accordance with local laws and regulations and in a timely manner.

5. Commercial Objectives

Newcrest will only engage in transactions or business dealings that are aligned with the commercial objectives of Newcrest and will not pursue transactions or dealings that are solely driven by tax reasons. Newcrest's tax strategy is to support Newcrest's global business through proactive tax advice, efficient tax compliance and active management of tax risks and disputes.

Tax Governance Framework

Newcrest also has a robust Tax Governance Framework whose purpose is to:

- Appropriately manage tax considerations that arise in the course of Newcrest's business; and
- Provide a framework for due consideration by the relevant levels of management (including the Board).

The Tax Governance Framework consists of an internal Tax Risk Management Framework (applicable to tax employees) and our internal Tax Group Standard (applicable to all employees).

The Tax Governance Framework in place to manage our tax risks has been designed considering best practice and is in line with the Australian Taxation Office (ATO) Tax Risk Management and Governance Review Guide.

Our external auditors review material tax risks, and tax authorities routinely review Newcrest's tax returns.

We employ appropriately qualified and experienced tax personnel to ensure our tax affairs are identified, assessed, documented, controlled and reported in a timely manner. We also utilise external advisors to support our team on specific technical issues.

Newcrest has a strong risk management culture which enables all risks, including tax risks, to be evaluated, deliberated on and communicated with our stakeholders. Newcrest has a skilled and diverse Board which monitors tax risks.

At all times, Newcrest operates within the tax laws that apply to it.



Our Income Taxes – FY22

Newcrest accounts for taxes in a number of jurisdictions around the world. The wholly-owned Australian subsidiaries of Newcrest are part of an Australian tax consolidated group, of which Newcrest Mining Limited is the head entity.

Reconciliation of Accounting Profit to Income Tax Expense

	Global group ⁽¹⁾ US\$m	Australian tax consolidated group ⁽¹⁾ US\$m
Total Revenue	4,207	2,506
Total Expenses⁽²⁾	(2,978)	(1,760)
Accounting Profit Before Tax (I)	1,229	746
Income Tax Expense calculated at 30% (A)	369	224
Recognition and de-recognition of deferred tax balances	1	(3)
Tax effect of (profit)/loss from equity accounted investments	(12)	2
Impact of tax rates applicable outside Australia	(3)	-
Non taxable foreign exchange movements ⁽³⁾	-	55
Other items	2	7
Adjustments (B)	(12)	61
Income Tax Expense (II) = (A) + (B)	357	285
Effective Tax Rate (II) / (I)	29%	38%

The income tax expense rate for the Australian tax consolidated group is 38% which is higher than the Australian corporate tax rate mainly due to non deductible foreign exchange movements which are recognised in the accounts of the Australian tax consolidated group.

Notes:

⁽¹⁾ Based on the Newcrest Mining Limited 2022 Annual Report. Accounting profit before tax has been shown on a 100% basis for all our operations, except for Red Chris which is shown at 70%. Gold production, gold sales and AISC includes Newcrest attributable share of 32% in Fruta Del Norte.

⁽²⁾ Expenses mainly relate to cost of sales, exploration, corporate administration and finance costs.

⁽³⁾ This relates to non-taxable foreign exchange movements arising mainly as a result of hedge accounting not applying at an Australian group level.

Our Income Taxes – FY22 (continued)

Reconciliation of Income Tax Expense to Income Tax Payable

	Global group US\$m	Australian tax consolidated group US\$m
Income Tax Expense	357	285
Timing Differences		
• Property, plant & equipment ⁽¹⁾	(147)	(33)
• Carry forward losses ⁽²⁾	94	(6)
• Other ⁽³⁾	(8)	16
Total Timing Differences	(61)	(23)
Income Tax Payable	296	262

Notes:

⁽¹⁾ As is standard across the mining industry, Newcrest's major timing difference arise from differences in the depreciation of fixed assets between accounting and tax.

⁽²⁾ At the global group level, carry-forward tax losses largely relates to revenue losses recognised for Red Chris, Canada. At the Australian tax consolidated group level, US\$6m of tax losses were utilised in the current period. Whilst the Newcrest Australian tax consolidated group has a pool of carry-forward tax losses, the rate of utilisation of these tax losses to offset taxable income is low due to the application of Australian tax law.

⁽³⁾ 'Other' adjustments primarily relate to fair value movements on PPA derivatives, unrealised gains and losses in relation to gold and fuel hedging arrangements, and movements in provision balances.

Taxes Paid – FY22

Newcrest is proud of the economic, fiscal and social contribution it makes to the communities and countries in which it operates through a range of taxes, royalties and levies.

The table below is a summary of the key taxes paid or borne in FY22 by Newcrest in the jurisdictions in which it operates:

AUSTRALIA		PAPUA NEW GUINEA		AMERICAS ⁽⁷⁾		CANADA	
	FY22 US\$m		FY22 US\$m		FY22 US\$m		FY22 US\$m
Corporate tax	224 ⁽¹⁾	Corporate tax	5 ⁽²⁾	Corporate tax	8	Corporate tax	5
Mining royalties	85 ⁽³⁾	Mining royalties	31 ⁽³⁾	Mining royalties	0	Mining royalties	0
Employee taxes collected on behalf of Government	94 ⁽⁴⁾	Employee taxes collected on behalf of Government	43	Employee taxes collected on behalf of Government	1	Employee taxes collected on behalf of Government	59 ⁽⁴⁾
Employment taxes paid by Newcrest	16 ⁽⁵⁾	Employment taxes paid by Newcrest	0	Employment taxes paid by Newcrest	0	Employment taxes paid by Newcrest	0
Other taxes and levies	20 ⁽⁶⁾	Other taxes and levies	15 ⁽⁶⁾	Other taxes and levies	7	Other taxes and levies	4
Total Taxes	440	Total Taxes	93	Total Taxes	16	Total Taxes	67



TOTAL	FY22 US\$m
Corporate tax	242
Mining royalties	116
Employee taxes collected on behalf of Government	196
Employment taxes paid by Newcrest	16
Other taxes and levies	46
Total Taxes	616

Notes:

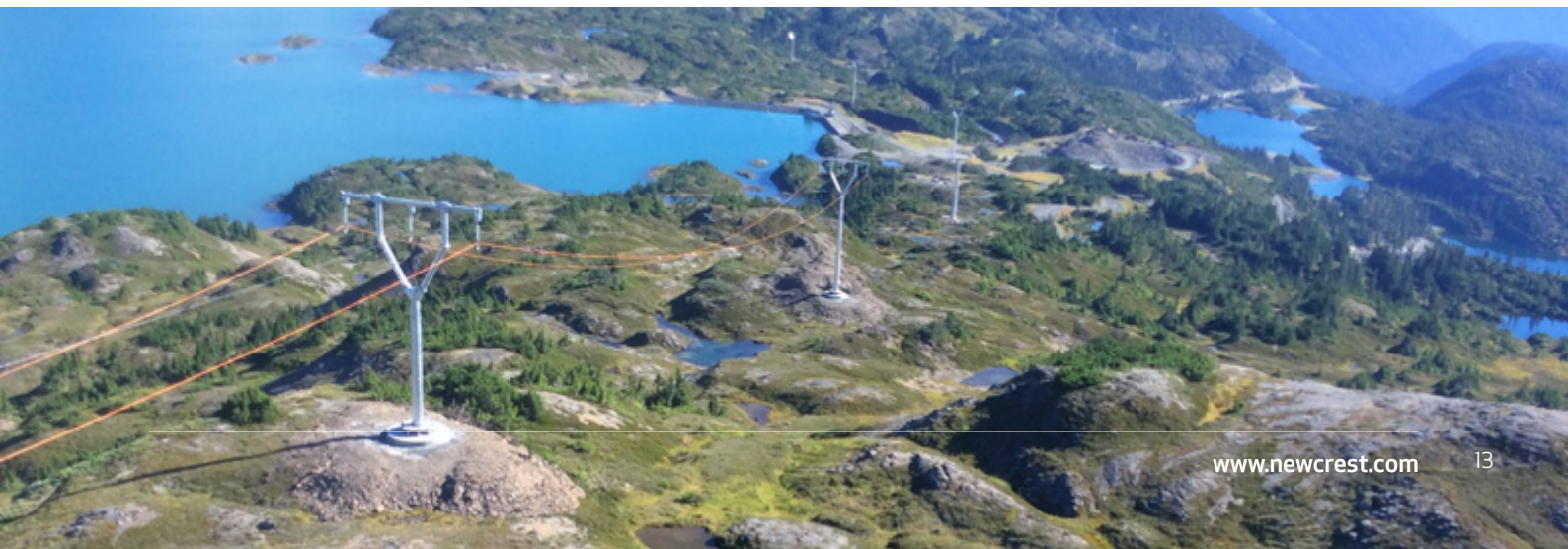
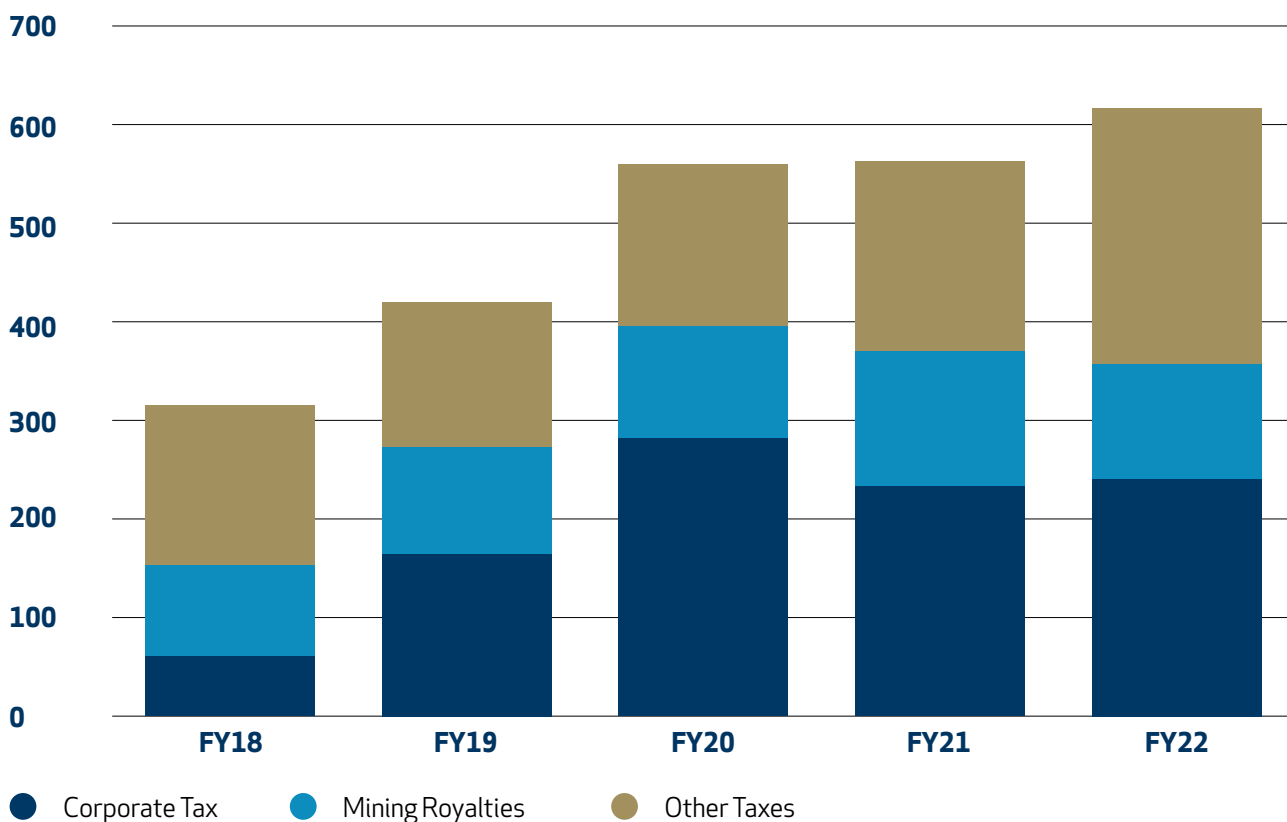
- ⁽¹⁾ The corporate tax paid in Australia in FY22 included monthly tax instalments of A\$22 million (US\$16 million) relating to the FY21, a further corporate tax payment (net of refund) of A\$89 million (US\$64 million) made on lodgement of the FY21 income tax return. Total tax instalments of A\$200 million (US\$144 million) paid during the year relates to the FY22 income tax return. Accordingly, this number is different to income tax payable for FY22 as disclosed in reconciliation of income tax expense to income tax payable.
- ⁽²⁾ Newcrest's PNG operations paid corporate tax of US\$5 million.
- ⁽³⁾ In FY22, Newcrest paid mining royalties in Western Australia (A\$35 million) relating to the Telfer mining operations and New South Wales (A\$82 million) relating to Cadia mining operations, totalling A\$117 million (US\$85 million) and US\$31 million in PNG relating to the Lihir mining operations. No mining royalties are applicable in British Columbia, Canada as it has its own minerals tax regime.
- ⁽⁴⁾ Newcrest is required to withhold taxes from salaries of its employees. Newcrest withheld employee taxes of A\$130 million (US\$94 million) in Australia and US\$59 million in Canada.
- ⁽⁵⁾ Newcrest is liable for payroll tax in New South Wales, Western Australia, Queensland and Victoria. In FY22, Newcrest paid payroll tax of A\$22 million (US\$16 million).
- ⁽⁶⁾ Other taxes and levies cover a range of taxes such as withholding taxes, customs duty, rates and levies. In Australia, Newcrest paid withholding taxes and other State and local taxes and levies of A\$28 million (US\$20 million). In PNG, Newcrest paid withholding taxes and customs of US\$15 million.
- ⁽⁷⁾ The Americas include USA, Chile and Ecuador.

Taxes Paid from FY18–FY22

Newcrest’s tax transparency journey commenced in FY14 when it published its first Taxes Paid Report. We subsequently signed up to the Voluntary Tax Transparency Code and started publishing our Tax Contribution Report from FY16. The chart below sets out the profile of taxes paid by tax type from FY18 to FY22. Between FY18 and FY22, Newcrest contributed US\$2.5 billion in taxes and royalties worldwide. Our Tax Contribution Reports for each year are available on our website and provide context for the tax payments.

FY18 to FY22 – Tax types over time

US\$m



International dealings

The following is a summary of the key international related party transactions for Newcrest in FY22:

- **Intra-group Services** – Back-office and technical services provided by Newcrest from Australia to related parties in Fiji, US, Canada and PNG.
- **Captive Insurance** – Insurance premiums charged between Newcrest and a related party in Singapore. The captive insurance company is managed by an independent third party insurance broker, derives a modest profit and is subject to withholding taxes and Australian tax under the Australian Controlled Foreign Company rules.
- **Intercompany loans and hedging** – Various loans and fuel hedges between Newcrest and related parties in PNG and Canada.
- **Production payment** – Production payment between Newcrest and its US subsidiary relating to production from the Cadia mine.

Newcrest maintains appropriate documentation in relation to its related party dealings and the dealings are conducted in an “arm’s length” manner consistent with Australian and international tax and transfer pricing laws. This means that the terms and conditions of the dealings are consistent with what would be available between unrelated parties.

Newcrest does not operate any marketing hubs in foreign jurisdictions.

The above related party dealings do not have a material impact on Newcrest’s Australian taxable income.



2022 Financial Statements

The below is intended to help users understand the link between Newcrest's 2022 Tax Contribution Report and 2022 Financial Statements.

Income tax expense

The income tax expense in our 2022 Financial Statements differs to the amount of tax paid disclosed in this Tax Contribution Report.

The numbers are calculated on a different basis and at different times of the year. The income tax expense in our 2022 Financial Statements provides an indication of the amount of tax that we expect to pay for the financial year.

The amount of tax paid disclosed in this report reflects the actual cash tax payments or refunds during the financial year. Cash tax paid during the year includes final payments or refunds which relate to the prior financial year and excludes payments or refunds which relate to the financial year but occur in the following year.

Effective tax rate

The effective tax rate is calculated as total income expense divided by accounting profit. Our global effective tax rate will not be the same as the corporate tax rate in any particular country. The tax rate is different in each country. The tax rate applies to the taxable income derived in a country, and any deductions or other adjustments specific to that country.



Appendix 1: Basis of preparation

Our report discloses information that satisfies the requirements of the Australian Board of Taxation Voluntary Tax Transparency Code.

Our report includes payments to Governments made by Newcrest Mining Limited and its subsidiaries for the period they form part of the Newcrest Mining Limited accounting consolidated group. We have also included payments to Governments made by our Red Chris Joint Venture using Newcrest's ownership proportion.

The disclosures have been prepared based on the 2022 Newcrest Annual Report and data from the 2022 Sustainability Report.

All financial data presented in this report is quoted in US Dollars unless otherwise stated. As the tax return of the Australian tax consolidated group is lodged in Australian Dollars, conversion into US Dollars was based on a weighted average exchange rate of 0.72596.

The taxes paid table represents amounts rounded to the nearest million.





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