



**NEWCREST MINING LIMITED SUSTAINABILITY REPORT 2013  
DISCLOSURES ON MANAGEMENT APPROACHES**



**NEWCREST**  
MINING LIMITED

# Disclosures on Management Approaches

## Economic

### Economic performance

Further information on how we manage our economic performance can be found in Newcrest's annual report ([www.newcrest.com.au](http://www.newcrest.com.au)).

### Market presence

Newcrest has mining operations and exploration activities in four countries – Australia, Papua New Guinea, Indonesia and Côte d'Ivoire – with further exploration activities occurring in Fiji. Our host communities are often remote, comprise both Indigenous and non-Indigenous peoples and in many cases lack the easy access to services that more urbanised communities enjoy. Newcrest's investment in local employment, infrastructure and community projects, particularly health, education and agriculture, is of direct benefit to these communities. Relevant managers at Newcrest's sites engage local governments and communities on a regular basis and prepare collaborative plans for investing in the community. This investment is diverse and ranges from health services, water supply windmills, roads and provision of sports clubs to supplying fresh fruit and vegetables.

### Indirect economic impacts

Newcrest delivers economic benefits to local communities through payments under land owner and land use agreements, direct investment into local communities, donations made to charities and the costs of running community departments.

Newcrest's presence provides many indirect benefits to the countries and communities in which we operate. These benefits include better health and educational standards for children that continue into adulthood, as well as improved infrastructure and better commercial opportunities for both local and regional businesses. Systems to improve Newcrest's ability to monitor these indirect impacts are currently under review.

## Environment

### Compliance

Newcrest is committed to achieving an excellent standard of environmental performance in all its business activities in accordance with the Newcrest Environmental Policy. This includes complying with all applicable environmental laws and regulations as a minimum standard, managing risks on a Group and site-specific basis and identifying opportunities for the efficient use of resources and minimisation of waste.

Newcrest's environmental strategy and performance are overseen by our Board's Safety and Sustainability Committee<sup>1</sup>, who meet quarterly. Our Environmental Policy underpins Newcrest's commitment to environmental performance and can be found on our website at [www.newcrest.com.au](http://www.newcrest.com.au).

During the reporting period, our Environmental standards were reviewed to align with leading practice. Also, the CHES (Community, Health, Environment and Safety System) provides a centralised tool for environmental reporting of incidents and capturing of information to learn from environmental events for ongoing mitigation of risks.

The following sections outline our approach to environmental management of specific environmental aspects aligned with GRI reporting requirements.

### Materials

The materials used in Newcrest's operations include cyanide, quicklime, ammonium nitrate, explosives and steel grinding balls.

Ammonium nitrate, quicklime and cyanide are 'reagents' – substances that are used in ore processing to create or promote chemical reactions for the purposes of extracting targeted minerals. Reagents are key consumables used in the processing of ore. They are transported, stored, used, and residues disposed of, according to Newcrest environmental standards, as well as the applicable regulations in the jurisdictions in which we operate.

All Newcrest operating sites, other than Cadia Valley Operations (CVO), use cyanide as a reagent. In recognition of this, Newcrest is a signatory to the International Cyanide Management Code for the Manufacture, Transport and Use of Cyanide in the Production of Gold (ICMC or the Code), which was developed by a multi-stakeholder steering committee under the guidance of the United Nations Environmental Program and the International Council on Metals and the Environment. The objective of the Code is to improve the management of cyanide used in gold mining and assist in the protection of human health and the reduction of environmental impacts.

### Energy

As an international business, we are aware of the responsibilities of operating in a carbon-constrained world, including business risks and costs. Regulation on reducing greenhouse gases can increase operational costs, such as power, fuel and supplier costs, ultimately influencing financial performance. We are focusing on energy from both an environmental and an economic perspective.

Newcrest strives to reduce the intensity of energy use at our operations consistent with our Environmental Policy. To manage carbon risks and help sites improve energy efficiency, Newcrest has a defined corporate resource to work with senior Site Energy Champions at each operation.

We conduct efficiency reviews at our operations to identify business improvement projects for implementation that are also reported as part of our Energy Efficiency Opportunities regulatory requirements (please refer to the copy of the report on our website).

<sup>1</sup> The Safety, Health and Environment Committee was renamed the 'Safety and Sustainability Committee' on 12 February 2014.

## Disclosures on Management Approaches

### Environment continued

#### Water

Newcrest manages water use at all operating sites and the sources from which water is drawn. Water used at our sites is extracted from different sources, depending on site climatic regions and conditions, environmental requirements, layout of the site and water resources available. Sources include surface water from adjacent rivers or creeks (whilst maintaining environmental flows), sea water, recycled waste water from nearby towns, and groundwater. Where practical, water is recycled and locally available recycled water is used. Most sites recycle a component of the daily volume extracted within the site or plants to reduce overall consumption, reducing potential for impact and also increasing unit value of water used.

Water extraction and discharge is monitored and reported for each site. Water supply quantity and quality are monitored in accordance with regulatory permits. Monitoring extends to key areas adjacent to our sites, such as downstream creeks or streams and also private properties or villages.

When permitted to release water off-site, Newcrest maintains controls to manage and monitors water quality.

Newcrest is an active participant in the Minerals Council of Australia's Water Working Group. One of the key projects of this Group has been the development of a water accounting framework for the minerals industry.

#### Biodiversity

Newcrest's biodiversity impacts are carefully managed in accordance with our Environmental Policy and standards. For each site, we review protected areas and species within the region, and assess whether our operations could potentially impact those biodiversity aspects, and develop management plans. Prior to undertaking works that could lead to vegetation or soil disturbance, pre-disturbance surveys are undertaken that include assessment for protected species. Several of our operations contain areas of protected habitats. These are managed appropriately in accordance with site specific plans and management strategies have been implemented at CVO to mitigate the potential impact of mining activities on identified threatened species (e.g. the Swift Parrot and Regent Honeyeater).

Newcrest is a member of the Business and Biodiversity Offsets Program (BBOP), which is a partnership of some 40 leading organisations from around the world (including companies, governments, conservation experts and financial institutions) that has been investigating and assessing biodiversity offset opportunities.

#### Emissions, effluents and waste

Newcrest actively manages its profile with regard to climate change developments and associated regulatory programs. Actions are led by the corporate Energy and Environment functions and include the key focus areas of operating practice, compliance, data collection, energy efficiency and involvement in the regulatory process. Newcrest incurs costs with regard to a number of clean energy initiatives in Australia, including the carbon emission-related Clean Energy legislation, state and federally based renewables programs and the New South Wales Energy Savings Scheme.

Newcrest reports on greenhouse gas emissions from its Australian activities as part of the Australian Government's National Greenhouse and Energy Reporting (NGER) scheme, a mandatory reporting system for greenhouse gas emissions, energy production and consumption, which applies to companies above a certain threshold of emissions. Newcrest reports on gross Scope 1 emissions (fuel and energy

produced or consumed and greenhouse gas emissions produced directly by the Company) and gross Scope 2 emissions (greenhouse gas emissions from consumption of electricity, heat or steam imported from sources outside the Company boundaries) at each of Newcrest's Australian facilities. Refer to <http://www.climatechange.gov.au/reporting> for further information.

Waste is a significant issue at all mining sites and occurs in many forms. Waste rock and tailings are our two largest waste streams, and continuous management to facilitate long-term geochemical and physical stability. Other waste streams include tyres, batteries, scrap steel, sewage sludge, medical waste and waste oil.

Waste rock is defined as the barren (non-mineralised) rock in a mine or mineralised material that is too low in grade to be mined and milled economically. At all sites operated by Newcrest, other than Lihir, waste rock from mining activities is disposed of in purpose-built, engineered waste rock dump structures or, when appropriate, used for construction (such as road base). In the case of Lihir, other than waste rock used for construction purposes, waste rock is disposed of via offshore submarine waste rock placement. This waste rock placement method has been adopted in accordance with the Lihir environmental permits following extensive environmental impact assessment of this method and alternatives.

One challenge with waste rock is managing any potentially acid forming material that can lead to Acid and Metalliferous Drainage (AMD). AMD results from the oxidation of sulphide minerals, which occur naturally in the rock, and may lead to increased acidity and/or heavy metals. AMD may occur as seepage from waste rock or tailings or from underground workings. A key component of our AMD management system is the requirement for site-specific AMD management plans.

Tailings are the waste material from ore after the economically recoverable metals and minerals have been extracted. Tailings have potentially hazardous properties and it is an important focus to manage potential environmental impacts, including possible surface and ground water contamination. At our Australian sites and at Hidden Valley, Bonikro and Gosowong, tailings are stored in engineered tailings storage facilities (TSF), built to engineering specifications, and regularly inspected according to annual regulatory requirements. The TSF at Hidden Valley is the first in PNG to contain all tailings for a major open pit mining operation in PNG. At Lihir Operations, disposal of tailings is undertaken via Deep Sea Tailings Placement (DSTP). DSTP was adopted at Lihir following a detailed assessment of land and marine disposal options, with consideration to safety, environmental and socio-economic aspects consistent with the requirements of internationally recognised standards and practices.

Newcrest has developed a Tailings Management Standard that applies to all sites and incorporates individual responsibilities and roles. It has been benchmarked against global leading standards, and we also had the standard reviewed externally by tailings experts.

We approach the management of our waste rock and tailings with the understanding that one day each site will need to close, and when it does, the objective is for it to be physically and geochemically stable. Final landforms need to support the land-use designated by the stakeholders, including government, community and land owners. For this to be possible, we undertake a range of research projects, as well as monitoring programs, to identify and understand potential risks associated with each landform, including structural stability and potential for AMD.

### Labour Practices and Decent Work

#### Employment

The High Performance Policy guides Newcrest's approach to people management, including recruiting the best people for the job, providing support, training and development opportunities to empower employees to perform at their best, and rewarding high performance. The Policy is supported by a range of standards and procedures to assist us in achieving a high-performance culture, including the Talent Acquisition Standard, Work Performance System Standard, Remuneration Standard and the Commitment to Improved Performance Procedure. The High Performance Policy is available on the Newcrest website at <http://www.newcrest.com.au/about-us/company-policies>.

#### Labour/management relations

To enable Newcrest's employees to report or raise concerns about misconduct in the workplace without concern about repercussions, the Company has implemented the 'Speak Out' program. This externally supported service guarantees that all reports are treated confidentially and can be made anonymously. Since May 2011, this service has been operating globally: employees, contractors, consultants and suppliers can all use Speak Out, which is supported by an independent, externally operated provider. Speak Out can be accessed from all Newcrest locations, and information is available in English, Bahasa, French and Pidgin.

Newcrest provides a range of benefits to eligible employees, as outlined in the list below. In general, the benefits apply to full time employees and permanent part time employees, while there is reduced application insofar as fixed term employees. While broadly the benefits structures contain the same elements across the business, there are some variations due to the existence of local factors, e.g. benefits and entitlements, such as pension schemes, which might be mandated by way of legislation. Notwithstanding, our objective is to provide a competitive remuneration package in each country in which we operate.

- Superannuation
- Salary sacrifice (airline club membership, financial advice, portable electronic device, professional memberships and associations)
- Gain-share, short-term incentive and long-term incentive (for Australian employees, depending on work level)
- Life insurance and total and permanent disablement insurance
- Share acquisition plan (performance-related awards of rights to deferred shares) for Australian and some offshore employees, depending on work level and local regulations
- Cash based, performance-related annual short-term incentives
- Professional association membership subscription (for professional employees)
- Salary continuance cover
- Annual leave and long service leave
- Parental leave
- Education assistance
- Employee assistance program
- Discounted services (e.g. private health insurance, bank account rates, car hire)

#### Occupational health and safety

Newcrest is committed to the safety, health and well-being of all people involved in our business activities, in accordance with the Newcrest Safety and Health Policy. Newcrest's goal of no injuries, 'Target Zero', is that all employees, contractors and visitors return home in the same safe condition they arrived at work and to continue to develop a culture of safe behaviours inside and outside the workplace.

Newcrest's health and safety strategy and its performance are overseen by our Board's Safety and Sustainability Committee<sup>2</sup>, who meet quarterly. The Newcrest Health, Safety and Environment (HSE) Management System consists of HSE standards, guidelines and supporting tools to monitor performance and provide assurance. The standards and guidelines apply across Newcrest's business and are applied to each of the sites operated by Newcrest via procedures and work instructions to meet the assessed requirements of the site based on local conditions and regulatory requirements. Health and safety incidents are recorded in CHESS (Community, Health, Environment and Safety System) and, where necessary, incident investigations are undertaken to identify and implement appropriate preventative and remediation measures.

Newcrest is cognisant of the legislative requirements on occupational health and safety in every jurisdiction in which we operate. In some jurisdictions, these requirements provide rights of entry by unions in respect of safety matters.

Each of our operations is responsible for providing training on health and safety policies and practices as part of workplace induction processes. In addition, the workforce is represented in formal joint management-worker health and safety committees, which help monitor and advise on occupational health and safety programs.

Our sites each have emergency and contingency plans taking into account local context such as civil disruption, cyclones, floods and emergency evacuation. We provide a range of education, training, counselling and risk-control programs regarding occupational health and lifestyle diseases. For example, employees who travel to malaria-endemic areas are provided with specialist medical advice and mitigation measures to minimise risks of exposure. We provide additional education and counselling programs on important health and safety topics such as heat stress, immunisation, malaria prevalence, tuberculosis and HIV/AIDS.

#### Training and education

A personal development plan is developed for each employee in consultation with their direct manager as part of the annual performance planning and review process. Six- and 12-monthly performance reviews are a requirement of Newcrest's career development and work performance systems. It is intended that all staff at sites and at corporate offices receive performance reviews. These reviews provide an important opportunity for staff to set personal development targets, including training and development needs for the year ahead.

Newcrest is committed to the ongoing development of its employees and has extensive training and development programs as a key element of its high-performance culture. Training courses cover a broad range of areas, including technical skills, managerial skills and a range of specialised programs. During the reporting period, Newcrest provided more than 400,000 hours of training to Newcrest employees and contractors. We consider this figure to be under-reported, and we are currently reviewing our training systems at our sites to improve data collection.

2 The Safety, Health and Environment Committee was renamed the 'Safety and Sustainability Committee' on 12 February 2014.

### Labour Practices and Decent Work continued

Newcrest has a range of operator training programs available for employees, which cover technical skill development. These are offered across all of Newcrest's sites. We also provide a set of specialised development programs, e.g. Lean/Six Sigma, change, project, risk and asset management, behavioural interviewing, and mining for non-miners. Newcrest also offers a range of managerial leadership development programs.

Newcrest provides opportunities to employees to complete external programs at various levels and provides various levels of funding support for approved applications. Employees can apply for study leave to attend compulsory residential schools, examinations and face-to-face classes when they are not available outside of normal working hours. Paid education/study leave is in addition to an employee's normal annual leave entitlement.

#### Diversity and equal opportunity

Newcrest believes that an inclusive and diverse workforce supports a high-performance culture. In support of this aim, we published an updated Diversity Policy in December 2010. Diversity at Newcrest means incorporating differences that relate to gender, age, ethnicity and cultural background. It also includes differences in background and life experience, communication styles, interpersonal skills, education, functional expertise and problem-solving styles. Underpinned by Newcrest's values, Newcrest's Diversity Policy outlines the ways we aim to support a diverse workplace, including treating employees fairly, setting measurable targets, ensuring legislative compliance and supporting diversity in local communities. Our commitment to diversity is further reflected in Newcrest's International Employees Policy.

A nationalisation strategy focuses on the internal succession aspect of nationalisation, providing the process and tools to support sites in implementing nationalisation plans. The strategy is closely linked to Talent and Succession Management and Performance Review processes and we are currently trialling its effectiveness. We must also comply with landholder obligations at some sites and meet prescribed levels of employment for local residents.

Newcrest's global diversity goal is implemented through a Diversity Action Plan. For Newcrest, diversity is represented by gender, age, cultural (people who are indigenous to offshore operations), and Indigenous (Aboriginal and Torres Strait Islander) considerations. A diverse workforce also benefits Newcrest. For us, diversity is about developing a workforce that is capable of contributing to the overall business' success. To address the business challenges we currently face and to do so well into the future, a diverse workforce composed of different ages, gender and cultural backgrounds is essential.

Along with initiatives to increase the gender balance in the workforce, Newcrest has a range of measures and plans to further increase diversity in the areas of age, ethnicity and cultural diversity. A Senior Diversity Specialist has been appointed to manage these programs. Newcrest is committed to developing our people across the Group and to ensure the workforce – including the leadership team – reflects the communities in which we operate.

### Human Rights

#### Investment and procurement practices

Newcrest has developed and approved a Human Rights Policy for implementation. The implementation process will include a review of the Company's various internal processes, external business relationships and the integration of relevant human rights requirements and procedures. This will also include the development of specific human rights clauses in, or for the screening of, investment, supplier and contractor agreements.

#### Non-discrimination

Underpinned by Newcrest's values, Newcrest's Diversity Policy outlines the ways we aim to support a diverse workplace, including treating employees fairly, setting measurable targets, ensuring legislative compliance and supporting diversity in our workforce. Our commitment to diversity is further reflected in Newcrest's International Employees Policy. We believe the workforce should reflect the communities in which we operate and, wherever practicable, Newcrest is committed to local hiring and development of workers at each site.

#### Freedom of association and collective bargaining

Newcrest recognises that employees have the right to belong, or not to belong, to an employee organisation. We comply with all applicable laws aimed at protecting freedom of association at the workplace. The Company will deal with employee organisations in accordance with the Employee Organisations Standard.

The Company has a number of employment agreements and industrial instruments in place. In Australia, the Telfer and Cadia Valley Operations Enterprise Agreements were voted up by the respective workforces and approved by Fair Work Australia in November 2012. Each Enterprise Agreement runs for the maximum allowable period under the Fair Work Act of four years. Overall, approximately 30 percent of the workforce is currently covered by collective bargaining agreements. This reflects the low prevalence of these types of arrangements in the international countries in which we operate.

Unions are party to industrial instruments in Newcrest's operations in Indonesia and Côte d'Ivoire. More recently for the MMJV operations, a union has been registered, but is not industrially active. Approximately 35 percent of Newcrest employees are eligible to be represented by a union.

#### Child labour

Newcrest does not engage in, or condone, any form of child labour. Newcrest and associated joint venture companies recognise the risk of exposure to child labour for all its international mining operations. This is due to a combination of lack of reliable birth data and pressure from local communities to maximise employment opportunities, which can unwittingly result in under-age employment. In-country human resources teams are aware of the risk, and screen applicants in line with Newcrest recruitment processes, utilising available records, as well as advice from community leaders.

#### Prevention of forced and compulsory labour

Newcrest does not engage in, or condone, any form of forced or compulsory labour.

## Disclosures on Management Approaches

### Human Rights continued

#### Security practices

Newcrest has developed and approved both Human Rights and Security policies for implementation. These policies reinforce our commitment to ensure that our security operations are consistent with international standards and norms for dealing with security and human rights, including the Voluntary Principles on Security and Human Rights. This includes the provision of appropriately targeted human rights awareness training and the reinforcement that there is zero-tolerance for human rights abuse by our employees, contractors and/or any other persons or groups working within our business.

Where utilised, contracted private security providers are required to conform to our requirements with regard to our Human Rights and Security policies. This includes human rights awareness training, respect for the communities in which we operate, the appropriate delivery of security services and a zero-tolerance for human rights abuse. Newcrest also remains committed to ensuring that appropriate Memorandums of Understanding (MOU) are in place in countries where public security, i.e. police and/or military, have or can be deployed to address security-related issues impacting on our operations. Newcrest will endeavour to ensure that human rights commitments and obligations are included in the MOU.

#### Indigenous rights

Newcrest is a member of the Minerals Council of Australia (MCA) and thereby a signatory to the MCA Sustainability Framework, 'Enduring Value', which is itself based on the ten principles of the International Council on Mining and Metals' (ICMM) Sustainable Development Framework. Newcrest acknowledges the rights of Indigenous Peoples as expressed by the UN Declaration on the Rights of Indigenous Peoples and the ICMM principles. These principles include the respect for the basic human rights, culture and heritage of local communities and Indigenous Peoples.

### Society

#### Community

Newcrest recognises its activities have the potential to impact the economy, society and environment of the countries, regions and communities where we operate. An open and constructive approach to community engagement and investment is critical to maintaining Newcrest's licence to operate and ensuring that communities see lasting benefits from Newcrest's operations. Our approach to working with local communities, and assessing and managing impacts on them, is guided by our Communities Policy and related standards. The Communities Policy sets out the key principles that guide our engagement with communities, which are to:

- Recognise and respect the cultural values, traditions and beliefs of those communities;
- Be open and transparent, including in describing the potential impact that Newcrest's activities may have on them;
- Develop mutually beneficial long-term partnerships and outcomes;
- Provide opportunities to share in the benefits that flow from Newcrest's activities; and
- Work to apply internationally recognised principles of best practice.

In addition, we seek to maximise direct local engagement in our operations through preferentially employing local people and developing local business capacity where practicable. Newcrest has no formal Company-wide policy for local supplier preference, but we do have commitments to do so in some countries (specifically Papua New Guinea). We actively consider opportunities for purchasing goods from within the communities in which we operate, subject to practical, operational and financial efficiencies.

Newcrest utilises a range of programs and practices to provide the necessary baseline information for the design of community development strategies and programs, aligned with the Community Standards the Company has adopted. This includes social impact assessment studies that are performed prior to as soon as practicable after entering communities, and prior to project development monitoring of social and environmental impacts during operation, and the development of mine closure plans to ensure a sustainable future for communities post-mining.

The principles that guide our community investment are:

- Maximise capability building, primarily through education and training to build self-sufficiency and economic independence within communities for the long term;
- Ensure community involvement and engagement in the determination and delivery of community investment; and
- Prepare the community for the post-mining environment.

Community relations teams at each site are responsible for building and maintaining on-the-ground relationships with the local community and relevant stakeholders. They work closely with local communities to design and implement programs to meet the community's long-term needs in a manner that is respectful of local culture and traditions.

It is a requirement of the Newcrest Community Standards that sites commission independent community baseline and social impact assessment studies to inform project development and planning. It is Newcrest's intention that this process becomes standard practice across all sites and for all future development.

#### Relocation and resettlement

Newcrest's approach to land acquisition relocation and resettlement aims to be consistent with international best practice, in particular the IFC (International Finance Corporation) Social Performance Standards. Newcrest has developed a Company-wide community relocation standard, which refers to the relevant IFC Social Performance Standard as a baseline for all Newcrest operations.

The long-term focus is on completing resettlement and reporting against an international standard resettlement action plan (RAP), securing tenure for resettled families through registering their new land, ensuring adequate infrastructure and facilities, investing on behalf of families to ensure an income stream, diversifying land use and agriculture, and integrating the relocated families into the local government planning and management process within the host communities.

## Disclosures on Management Approaches

### Society continued

#### Corruption

Activities involving bribery, corruption, payment of secret commissions and exercise of improper influence are strictly prohibited under Newcrest's Code of Conduct, Corrupt Practices Policy and related standards. This applies in all the jurisdictions in which we operate, and applies equally to public officials and private organisations and individuals. Bribery is defined as giving or offering a benefit (either cash or in-kind) to a private individual or organisation or to a public official or representative where it is not legitimately due, and the intention is to influence the relevant person or organisation. Regulated activities include facilitation payments, gifts and entertainment. Newcrest has internal audit and other processes in place to identify and investigate instances of actual or potential corruption and bribery across the business. Newcrest's position on bribery is included in Newcrest's Code of Conduct and Corrupt Practices Policy, as well as its Company standard regarding gifts, entertainment and functions. Newcrest's Annual Internal Audit Plan includes an evaluation of the risk of corruption due to the potential exposure under relevant anti-bribery and corruption legislation. We review payments at all of Newcrest's offshore sites as part of this annual audit. There were no reported incidents of corruption in the reporting period.

#### Public policy

Maintaining a sound professional relationship with all levels of government is an essential part of our ability to do business. We are committed to working with all levels of government and their agencies and their employees in an honest, transparent and ethical manner. This does not mean that we necessarily agree with the policies or condone all aspects of conduct of government of the countries in which we operate. Where our employees are engaged in dialogue with government, those individuals must comply with all relevant laws and regulations and Company policies relating to such relationships.

From time to time, Newcrest is engaged in development of public policy. Representations are made directly by Newcrest executives and officers and via participation in working groups. Contributions to public policy development are also made via industry associations of which Newcrest is a member. For example, Newcrest is a member of the Minerals Council of Australia (MCA) and its associated state-based organisations, as well as the PNG Chamber of Mines and Petroleum, and the Indonesian Chamber of Mines. Newcrest contributes as a member of the MCA Climate Change Committee, chairs the MCA Tax Committee and contributes to the broader policy debate on gold-specific issues through the MCA. Newcrest does not make cash or in-kind contributions to political parties or contribute to political fund-raising activities. This applies equally in all jurisdictions in which Newcrest operates or is contemplating a future presence. We do recognise our employees' right to participate as individuals in the political process and in their own right.

#### Anti-competitive behaviour

The Company's Code of Conduct reflects the Company's values that underpin all of Newcrest's behaviours, including anti-competitive behaviour, and its relationships with its stakeholders. It provides a framework within which its entire workforce functions, including expectations for appropriate, ethical and professional behaviour for Directors and employees. A copy of the Code of Conduct is available on the website at <http://www.newcrest.com.au/about-us/company-policies>.

The Company's Code of Conduct draws together the comprehensive range of policies and standards which govern the way in which Newcrest behaves and operates. Relevant policies and standards include the following:

- Communities Policy
- Corrupt Practices Policy
- Donations Policy
- Gifts, Entertainment and Functions Standard
- International Employees Policy
- Securities Dealing Policy
- Speak Out Standard
- Sponsorship Policy
- Workplace Behaviour Standard

#### Compliance

Newcrest closely monitors regulatory changes in the countries where we operate to ensure compliance. Newcrest also regularly benchmarks social and environmental performance against international standards and aims to ensure consistency across all Newcrest sites. This presents challenges, given the range of standards and guidelines available and the differing contexts between our Australian and non-Australian sites. However, as a priority, we seek to meet or exceed host country standards and meet Australian and international standards where applicable.

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## Disclosures on Management Approaches

### Product Responsibility

Newcrest produces gold, copper/gold concentrate and some silver. All of our products are sold to third parties for smelting and refining, and as such, we do not have a direct customer base.

Gold, our primary product, is used primarily for investment and jewellery. It is also used in medical equipment (mostly lasers used for delicate procedures), in computer electronic circuitry, aerospace and telecommunications. Because of the value associated with gold, most of the world production (estimated 85 percent) remains in circulation.

For shipments of copper/gold concentrate, we provide Material Safety Data Sheets (MSDS), assay certificates and Transportable Moisture Limit (TML) certificates. We also placard the copper concentrate for inland transportation, which identifies the product as a Class 9 Hazardous cargo and marine pollutant. We ensure that all of our shipments comply with the highest standards.

#### Compliance

As an Australian company with securities listed on the Australian Securities Exchange ('ASX'), Newcrest is subject to Australian disclosure requirements and standards, including the requirements of the Corporations Act and the ASX Listing Rules. It is a requirement of the ASX Listing Rules that the reporting of Ore Reserves and Mineral Resources in Australia comply with the JORC Code<sup>3</sup> 2012 and that Newcrest's Ore Reserve and Mineral Resource estimates comply with the JORC Code 2012<sup>4</sup>. Ore reserves quoted is a subset of Mineral Resources. Independent external and internal reviews are conducted on estimates as required.

Newcrest is a member of the Minerals Council of Australia (MCA) and adheres to the Australian Minerals Industry Framework for Sustainable Development, Enduring Value ([www.minerals.org.au](http://www.minerals.org.au)).

<sup>3</sup> The Joint Ore Reserves Committee Code, [www.jorc.org](http://www.jorc.org).

<sup>4</sup> The JORC Code 2012 came into operation from 1 January 2014.