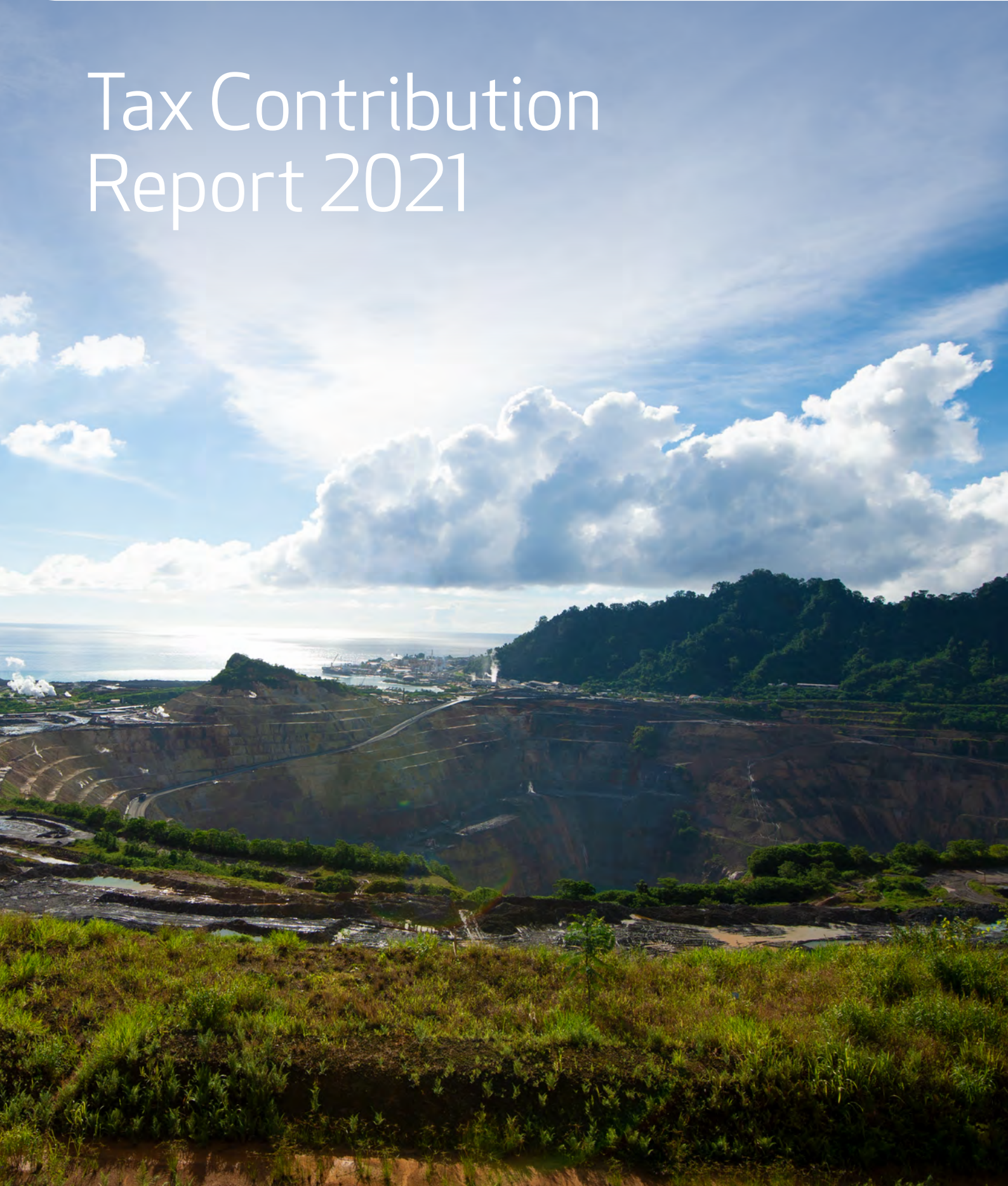




NEWCREST
MINING LIMITED

Tax Contribution Report 2021



Message from our 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 2021 (FY21). This report elaborates on our tax position for FY21 whilst highlighting the taxes and royalties paid in Australia and globally.

In a year which continued to be dominated by the COVID-19 pandemic, Newcrest has been able to minimise the impact of COVID-19 across our business through continued collaboration, safety processes and strong relationships with governments, partner organisations such as the United Nations and local communities.

In FY21 we released our new 2025 Aspirations and established our Company Purpose: *To create a brighter future for people through safe and responsible mining.* This is about delivering more than just safety, profits and growth – it is about leaving a positive impact for all our stakeholders such that they are better off by us operating in proximity to their community and from having invested in us, partnered with us or worked with us.

In FY21, Newcrest paid US\$563 million in taxes and royalties globally (FY20: US\$561 million) and had a global effective tax rate of 30% (FY20: 36%). Over the last five years, Newcrest has contributed approximately US\$2.1 billion globally in taxes and royalties to local governments; of which approximately 69% was paid in Australia, 21% in Papua New Guinea (PNG), 8% in Indonesia and 2% in the Americas.

Newcrest understands the important role tax transparency plays in improving community confidence and we welcome this opportunity to demonstrate our commitment to paying our fair share of taxes. We believe that strengthening and maintaining community confidence and trust over the long term is key to building a sustainable, resilient and profitable business.

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. FY21 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 contributions and its approach to taxes.



Sherry Duhe

Sherry Duhe
Chief Financial Officer

About Newcrest

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

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 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 PURPOSE

Creating a brighter future for people through safe and responsible mining

OUR VALUES



Caring about people



Integrity & honesty



Working together



Innovation & problem solving



High performance



OUR EDGE

Collaboration, innovation and an owner's mindset

OUR STRATEGY

Forging an even stronger Newcrest

In February 2021 we announced our *Forging an even stronger Newcrest* plan which outlined our aspirations across five key pillars of Safety and Sustainability, People, Operating Performance, Technology and Innovation and Profitable Growth that we hope to achieve by the end of calendar year 2025.

This plan builds on what we have already achieved under our Forging a stronger Newcrest plan and will help drive our aspirations for the next five years.

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.



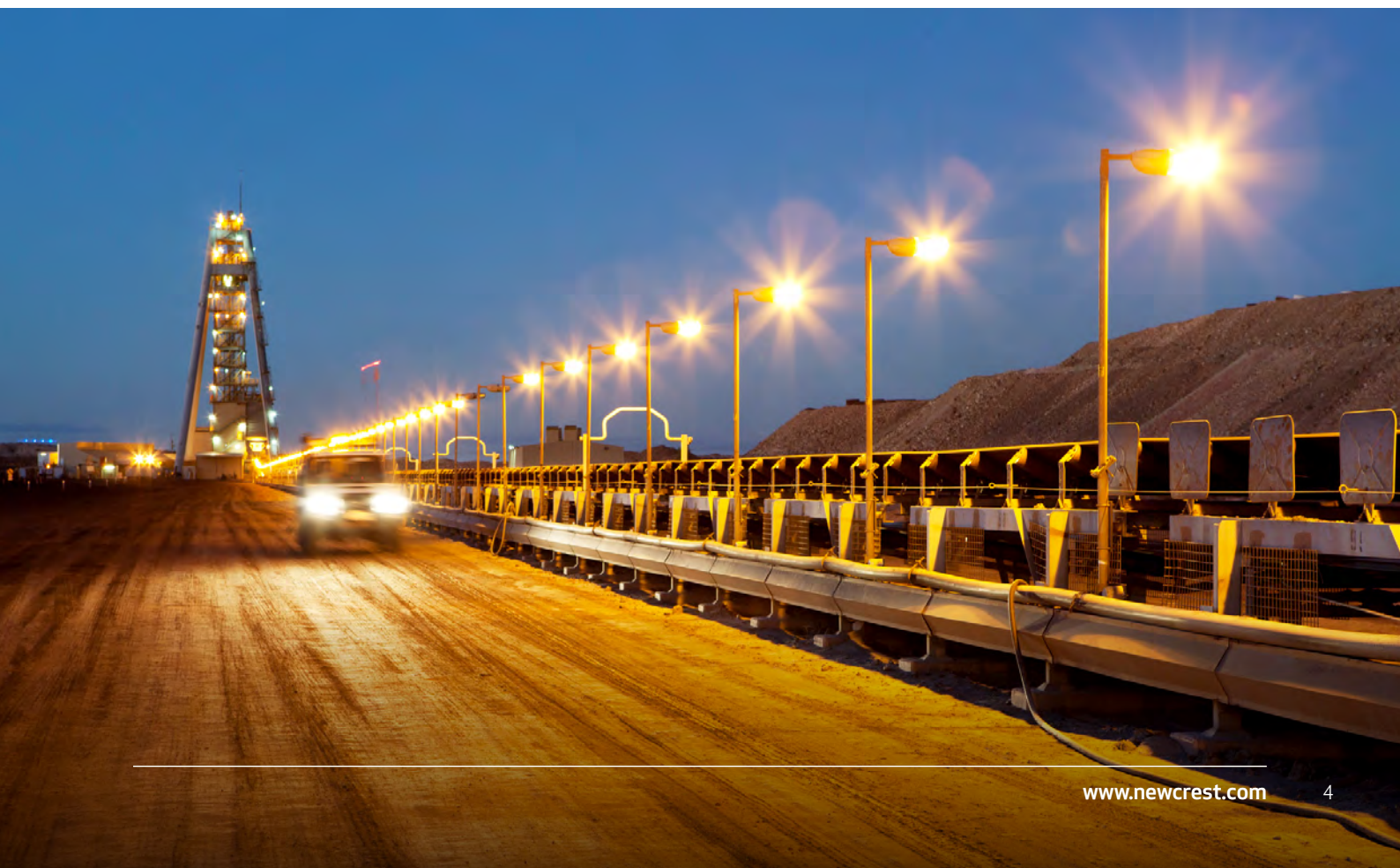
We are a leader in innovation and creativity.

We create lasting value through audacious breakthroughs.



We grow profitably.

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



FY21 results

Newcrest reported a full-year profit after income tax of US\$1,164 million¹ in FY21, underpinned by annual production of 2.1 million ounces of gold² and 143 thousand tonnes of copper. Free cash flow for the year was US\$1.1 billion³. Please refer to our 2021 Annual Report that is available on our [website](#) for further details.

Our operating assets as at 30 June 2021



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.

FY21 Production: **765koz Au, 106kt Cu**

FY21 AISC: **-\$109/oz**

Reserve life: **26 years⁴**



Lihir

One of the world's largest gold deposits, Lihir is 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.

FY21 Production: **737koz Au**

FY21 AISC: **\$1,391/oz**

Reserve life: **30 years⁴**



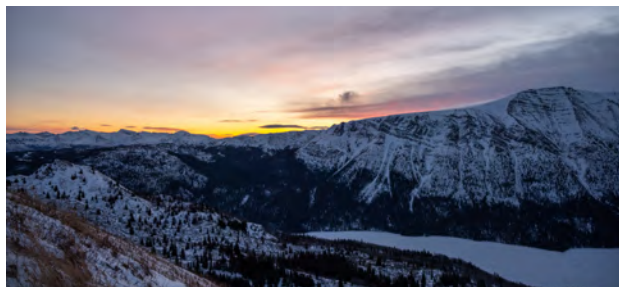
Telfer

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 percent owned by Newcrest.

FY21 Production: **416koz Au, 13kt Cu**

FY21 AISC: **\$1,473/oz**

Reserve life: **3 years⁴**



Red Chris

The Red Chris gold-copper open-pit mine is located in the 'Golden triangle' of British Columbia, approximately 1,700 kilometres from Vancouver. In August 2019, Newcrest acquired a 70 percent ownership interest and operatorship of Red Chris in a joint venture with Imperials Metals Corporation.

FY21 Production¹: **46koz Au, 23kt Cu**

FY21 AISC: **\$2,248/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 (commercial production commenced in the March 2020 quarter) through its 32% equity interest in Lundin Gold Inc. The gold production, gold sales and AISC outcomes for Fruta del Norte are sourced from Lundin Gold's news releases and have been aggregated to reflect the twelve - month period 30 June 2021.

³ Free cash flow (calculated as cash flow from operating activities less cash flow related to investing activities).

⁴ Reserve life is indicative and calculated as proven and probable gold reserves (contained metal) as at 31 December 2020 divided by gold production for the 12 months ended 30 June 2021. The reserve life calculation does not take into account future gold production rates and therefore the estimated reserve life does not necessarily equate to operating mine life.

Our global search for new gold/copper mines as at 30 June 2021



During FY21, Newcrest continued its search for new discoveries with greenfield exploration activity undertaken in Australia, Canada, USA, Ecuador and Chile. Activity was focused in and around fertile gold/copper districts including the Paterson Province (Western Australia), the Golden Triangle of British Columbia (Canada), Tanami (Northern Territory/Western Australia), Northern Andes (Ecuador) and the Central Andes (Chile)⁵.

In November 2020, Newcrest formalised its relationship with Greatland Gold Plc by signing the Havieron Joint Venture agreement which coincided with an entitlement to earn an additional 20% joint venture interest (resulting in an overall joint venture interest in the Havieron Project of 60% as at 30 June 2021). The Havieron Project, which is operated by Newcrest, is located 45km east of the Telfer mine.

In December 2020, Newcrest announced its initial Inferred Mineral Resource estimate for Havieron.

In the second half of FY21, Newcrest announced that it had commenced its Early Works Program at Havieron and commenced construction of the exploration decline in May 2021 which is critical for achieving first production for the Project in the next two to three years.

Since its acquisition of a 70% interest in the Red Chris mine in August 2019, Newcrest has undergone a significant drilling campaign which was focused on the delivery of Newcrest's initial Mineral Resource estimate for Red Chris together with a brownfields exploration program which is concentrated on the discovery of additional zones of higher grade mineralisation within the Red Chris porphyry corridor. In June 2021, Newcrest commenced construction of the box cut for a new exploration decline at Red Chris. The commencement of the decline underpins Newcrest's objective of having a block cave in operation at Red Chris within the next five to six years.⁶

Exploration continued at all brownfield sites, with drilling ongoing at Telfer, Cadia and Red Chris.

⁵ Post FY21, Newcrest exited the projects at Jarbridge and Cana Brava.

⁶ Subject to market and operating conditions, Board and regulatory approval and any potential delays due to COVID-19 impacts.

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).

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 – FY21⁷

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	4,576	2,892
Total Expenses⁽²⁾	(2,908)	(1,621)
Accounting Profit Before Tax (I)	1,668	1,271
Income Tax Expense calculated at 30% (A)	500	381
Recognition and de-recognition of deferred tax balances	17	(5)
Tax effect of (profit)/loss from equity accounted investments	(7)	1
Impact of tax rates applicable outside Australia	(13)	-
Non taxable foreign exchange movements ⁽³⁾	-	(35)
Other items	7	8
Adjustments (B)	4	(31)
Income Tax Expense (II) = (A) + (B)	504	350
Effective Tax Rate (II) / (I)	30%	28%

The income tax expense rate for the Australian tax consolidated group is 28% which is lower than the Australian corporate tax rate mainly due to non-taxable foreign exchange movements.

Notes:

⁽¹⁾ Based on Newcrest Mining Limited 2021 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%. Newcrest's profit also includes the share of profits and losses attributable to its non-controlling interests.

⁽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.

⁷ Refer to Appendix 1 for the basis of the preparation of this report.

Our Income Taxes – FY21 (continued)

Reconciliation of Income Tax Expense to Income Tax Payable

	Global group US\$m	Australian tax consolidated group US\$m
Income Tax Expense	504	350
Timing Differences		
• Property, plant & equipment ⁽¹⁾	(107)	(13)
• Other ⁽²⁾	(87)	(53)
• Carry forward losses utilised ⁽³⁾	(7)	(7)
Total Timing Differences	(201)	(73)
Income Tax Payable	303	277

Notes:

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

⁽²⁾ 'Other' adjustments primarily relate to the taxation impact of the repayment of the remaining USD Corporate Bonds in April 2021, unrealised gains and losses in relation to gold and fuel hedging arrangements and movements in provision balances.

⁽³⁾ The Australian tax consolidated group carry-forward tax losses from prior periods utilised in FY21. 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 future taxable income is low due to the application of Australian tax law.

Taxes Paid – FY21

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 FY21 by Newcrest in the jurisdictions in which it operates:

AUSTRALIA		PAPUA NEW GUINEA		AMERICAS ⁽⁷⁾	
	FY21 US\$m		FY21 US\$m		FY21 US\$m
Corporate tax	209 ⁽¹⁾	Corporate tax	10 ⁽²⁾	Corporate tax	14
Mining royalties	102 ⁽³⁾	Mining royalties	35	Mining royalties	0
Employee taxes collected on behalf of Government	86 ⁽⁴⁾	Employee taxes collected on behalf of Government	39	Employee taxes collected on behalf of Government	15
Employment taxes paid by Newcrest	16 ⁽⁵⁾	Employment taxes paid by Newcrest	0	Employment taxes paid by Newcrest	1
Other taxes and levies ⁽⁶⁾	18	Other taxes and levies ⁽⁶⁾	15	Other taxes and levies ⁽⁶⁾	3
Total Taxes	431	Total Taxes	99	Total Taxes	33



TOTAL	FY21 US\$m
Corporate tax	233
Mining royalties	137
Employee taxes collected on behalf of Government	140
Employment taxes paid by Newcrest	17
Other taxes and levies	36
Total Taxes	563

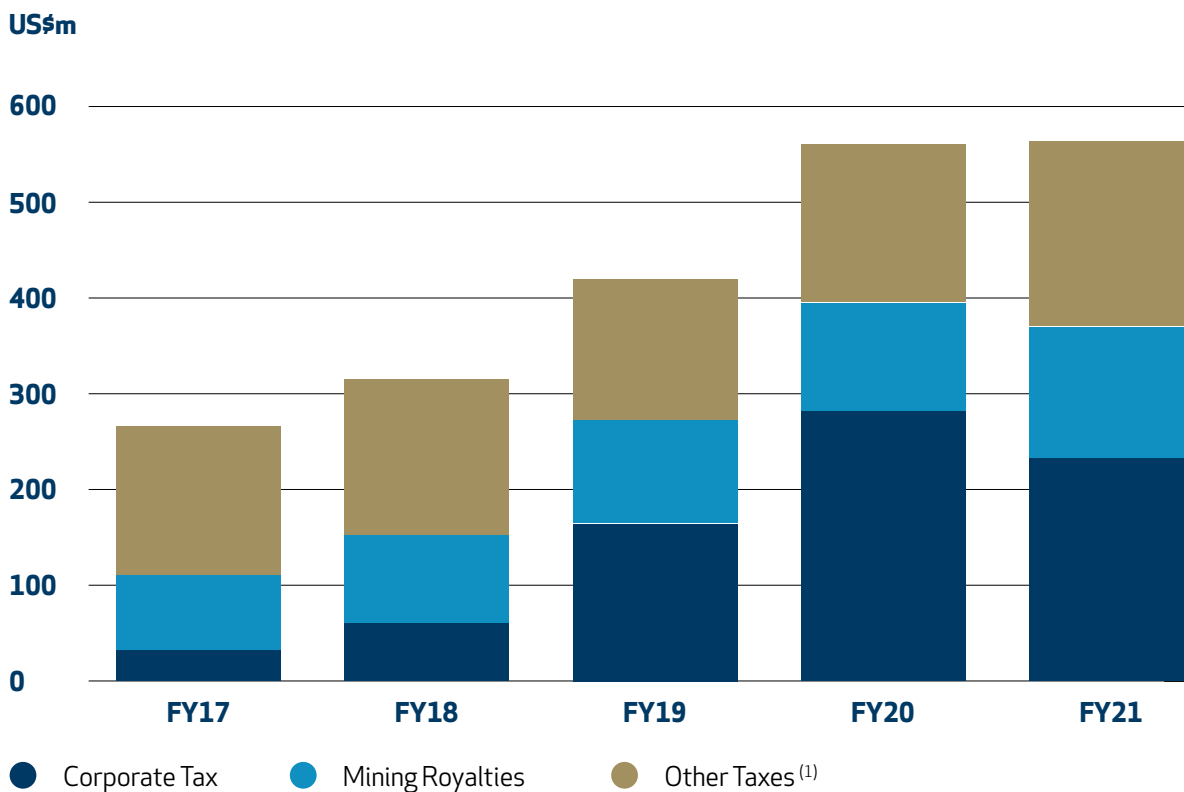
Notes:

- ⁽¹⁾ The tax paid in Australia relates to the corporate tax liability for FY20 (US\$15 million paid during FY21 on lodgement of the FY20 income tax return) and monthly tax instalments paid for FY21 (US\$208 million). During the year Newcrest also received a refund of US\$14 million relating to FY20 and prior years.
- ⁽²⁾ Newcrest's PNG operations paid corporate tax instalments of US\$10 million.
- ⁽³⁾ In FY21, Newcrest paid mining royalties in Western Australia (A\$30 million) and New South Wales (A\$105 million), totalling A\$135 million (US\$102 million).
- ⁽⁴⁾ Newcrest is required to withhold taxes from salaries of its employees. In Australia, Newcrest withheld employee taxes of A\$115 million (US\$86 million) in FY21.
- ⁽⁵⁾ Newcrest is liable for payroll tax in New South Wales, Western Australia, Queensland and Victoria. In FY21, 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\$24 million (US\$18 million).
- ⁽⁷⁾ Americas includes USA, Chile, Ecuador and Canada.

Taxes Paid from FY17–FY21

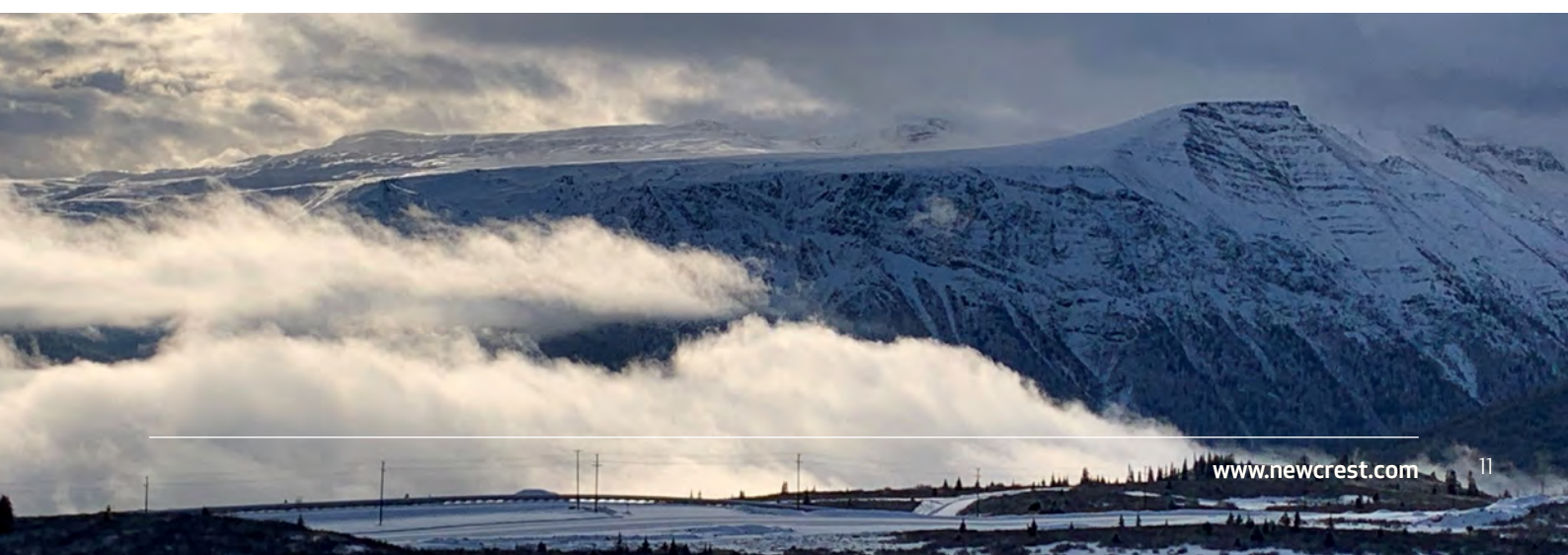
Newcrest’s tax transparency journey commenced in FY14 when it published its first Taxes Paid Report. We subsequently signed up to the Voluntary Tax Transparency Code and started publishing our Tax Contribution Report from FY16. The chart below set out the profile of taxes paid by tax type from FY17 to FY21. Between FY17 and FY21, Newcrest contributed US\$2.1 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.

FY17 to FY21 – Tax types over time



Notes:

⁽¹⁾ Other taxes include withholding taxes, employer taxes, customs duties, non-recoverable VAT, rates and levies generated in respect of its operations.



International dealings

The following is a summary of the key international related party transactions for Newcrest in FY21:

- **Intra-group Services** – Back-office and technical services provided by Newcrest from Australia to related parties in Fiji, 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 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.
- **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 a manner consistent with Australian and international tax and transfer pricing laws. 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.



2021 Financial Statements

The below is intended to help users understand the link between Newcrest's 2021 Tax Contribution Report and 2021 Financial Statements.

Income tax expense

The income tax expense in our 2021 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 2021 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 which 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

This appendix explains the basis of the presentation and reporting of data in this report.

Source of information

The disclosures have been prepared based on the 2021 Newcrest Annual Report and data from the 2021 Sustainability Report.

Reporting currency

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 weighted average exchange rate of 0.7467.

Taxes paid

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





T +613 9522 5333

E corporateaffairs@newcrest.com.au

W www.newcrest.com