

# SUSTAIN ABILITY

REPORT 2018

**BARRICK**  
Barrick Gold Corporation



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# SUS TAIN ABILITY



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# SUSTAINABLE DEVELOPMENT

## AT THE HEART OF OUR BUSINESS



**\$7.48 billion** to host country economies in 2018 through salaries, taxes, local-first procurement and community investments

**95%** of combined workforce from host countries

**79%** of our goods and services from host countries  
Value **\$4.7 billion**



**Zero** fatalities

**33%** ↓ Lost Time Injury Frequency Rate<sup>1</sup>

**14%** ↓ Total Recordable Injury Frequency Rate<sup>1</sup>



**17,500** hours human rights training for security personnel



**17%** ↓ malaria incidence rates for employees in Africa Middle East region<sup>1</sup>



**Zero** major environmental incidents<sup>2</sup>



**\$4.3 million** invested in biodiversity conservation projects in US and Africa in last 6 years



**2.8 million GJ (4%)** of energy used from renewable sources



**84%** water recycled or reused by mines in high water stress areas

<sup>1</sup> Year-on-year.

<sup>2</sup> Incidents that have the highest negative impacts on human health, community property or the environment. Based on the two different classification systems of legacy Companies.



# MESSAGE FROM OUR CEO

At the heart of our Company's philosophy is a belief that our ability to operate successfully is acutely dependent on our ability to deliver long-term value to all our stakeholders and to proactively manage our impacts on the wider environment.

In 23 years operating in emerging Africa, Randgold built its license to operate on a commitment to economically empower our host countries and communities, to protect the safety of our employees, to be a good corporate citizen and to respect the natural environment. This approach helped build sustainable partnerships which survived political upheaval, civil wars and even the outbreak of Ebola. At Barrick there is an exceptional track record of delivery on sustainability, shown by over a decade as a constituent in the Dow Jones Sustainability Index.

We are bringing together the best of both these Companies by hardwiring sustainability into our governance structures. Following the merger, we appointed an Environmental & Social Oversight Committee and Group-level Sustainability Executive to help deliver our environmental and social goals. Sustainability is a core reporting line on weekly Executive Committee calls and forms a dedicated agenda item at monthly management and quarterly Board meetings.

Throughout our global portfolio of mines, we are aligning management practices to fulfill our sustainability vision. We are in the process of setting new targets to continually improve safety, occupational health, environmental management, human rights performance and community engagement and development.

Our new team inherits significant social and environmental challenges too. But we are committed to addressing them in a transparent and effective way, and to go the extra mile to find viable solutions that work for our business, our stakeholders and our planet.

## Empowering local communities

Barrick's new sustainability vision is driven by a commitment to contribute to the social and economic development of our host countries and communities.

We must leave a thriving economic and environmental legacy that will support our host communities long after our mines close. In 2018, the two legacy Companies generated over \$7.48 billion for host nation economies through combined payments to host Governments, employees and suppliers and through community development investments. The latter has brought benefits such as electrification and drinking water systems in emerging countries, and new college facilities and scholarship opportunities in the developed world.

But our contribution is not just about the taxes we pay and the benefits we provide to local communities. Central to our vision of sustainable mining is that we actively maximize economic benefits for those closest to our mines, through local sourcing, building local supply chains and through local capacity building. In 2018 the legacy Companies procured 79% of their goods and services (over \$4.7 billion) from suppliers based in host countries – often working with them to build their skills and capabilities. In the Democratic Republic of Congo, for example, Randgold built the new 10MW Azambi hydropower station using only Congolese contractors.





## A strong baseline

Looking at 2018 it is encouraging that the two legacy Companies met their gold production and cost guidance for the year with zero fatalities and reduced injury and environmental incident rates. This is a core expectation of the new Barrick. Effective safety and environmental management will remain critical priorities for our expanded Group.

As we saw with the tragic case of Brazil's Brumadinho tailings dam disaster earlier this year, this expectation is not just about the people on our sites, but also about the health and safety of our local communities. In the case of tailings, we are committed to leading practice in all aspects of tailings and dam management, and all our tailings facilities are carefully engineered for stability, closely monitored and frequently inspected. To ensure constant progress we have also generated a prioritized list of improvements in 2019 that we are implementing.

Our new sustainability team is focused on delivery, without shying away from the difficult challenges we face. We are putting the right vision, people and governance in place to create a legacy for our stakeholders that is sustainable in its most literal form, and thus can continue long into the future. We do this with a focus on everyday issues from safety to skills development, water to waste management. And all our sustainability activity is underpinned by open stakeholder engagement with a commitment to genuine partnership.

As a team, we are excited about the challenges. It is the start of a new chapter for Barrick.



**Mark Bristow**  
*President and CEO*



Everyone  
Going Home  
Safe  
&  
Healthy  
Everyday

**BARRICK**

*Turquoise Ridge*



# ABOUT THIS REPORT

This report has two purposes: To describe the new strategy, policies and management approach Barrick Gold Corporation (Barrick, the Company or the Group) is taking following its merger with Randgold Resources Limited (Randgold or the Company); and to report on the historic sustainability performance of the legacy Companies.

The information in this report covers the 2018 calendar year, which corresponds with the two legacy Companies' financial years. Where possible and appropriate, performance data for the two legacy Companies have been consolidated to provide a baseline by which our stakeholders can measure and understand our sustainability performance. All information is current as at December 31, 2018, unless otherwise indicated. This report is published subsequent to the combining of our assets and operations in Nevada into a joint venture with Newmont Goldcorp Corporation on July 1, 2019. However, this report does not include data on the new joint venture process.

This report includes information on all wholly-owned operations, joint ventures where we are the operator and joint ventures that are independently operated. Data for joint ventures cover 100% of performance, not just our ownership share. Where material to our sustainability performance, we report data on ancillary properties such as offices, closure sites or exploration sites. Currency amounts in this report are expressed in US dollars, unless otherwise indicated.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. Further information is also available in the Appendix that accompanies this report and on our website.

All legacy Company data used in this report have been assured by independent external assurers. Bureau Veritas North America reviewed and assured the data relating to the sites managed by Barrick in 2018; Environmental and Sustainability Solutions (ESS) assured the data pertaining to the former Randgold sites. The two assurance statements are available in the Appendix to this report, available on our website.

## GROUP OPERATIONS AND PROJECTS

Ownership/Operatorship	Mine (% - where ownership is not 100%)	Included in this report	Other projects (% - where ownership is not 100%)
Wholly owned and operated	Cortez <sup>5</sup> , Goldstrike <sup>5</sup> , Golden Sunlight, Hemlo, Lagunas Norte, Pierina (in closure), Lumwana	✓	Pascua-Lama, Goldrush <sup>5</sup> , Alturas
Joint venture, Barrick operated	Pueblo Viejo (60%), Turquoise Ridge (75%) <sup>5</sup> , Loulo-Goukoto (80%) <sup>1,2</sup> , Morila (40%) <sup>1</sup> , Kibali (45%) <sup>1</sup> , Tongon (89.7%) <sup>1</sup>	✓	
Joint venture, not operated by Barrick <sup>3</sup>	Jabal Sayid (50%), Porgera (47.5%), Veladero (50%)	✓	Donlin Gold (50%)
Joint venture, partner operated	Kalgoorlie (50%), Zaldivar (50%)	✗	Norte Abierto (50%)
Affiliate operated	Acacia Mining plc (63.9%) <sup>4</sup> (Bulyanhulu, North Mara, Buzwagi)	✗	

<sup>1</sup> Sites formerly managed by Randgold.

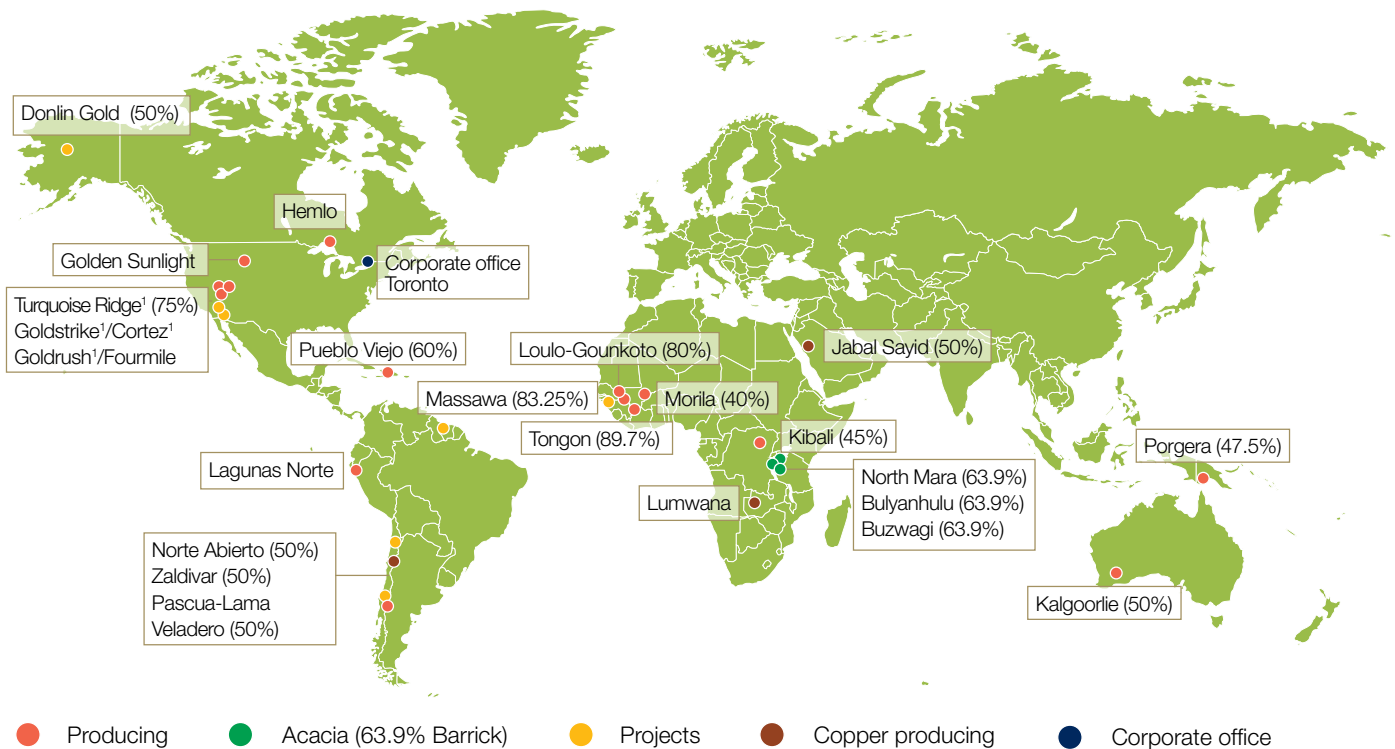
<sup>2</sup> Loulo-Goukoto complex is reported as one operational site, unless otherwise stated.

<sup>3</sup> At these assets Barrick exercises influence but does not have direct operational control. Some policies and procedures discussed in this report may not apply if the independent joint venture has an alternative in place.

<sup>4</sup> Acacia Mining plc is a fully independent Company, listed on the London Stock Exchange, operating with its own management team and Board of Directors, a majority of whom are independent of Barrick. On July 19, 2019, Barrick announced an agreement on the final terms of a recommended share-for-share acquisition by Barrick of the ordinary share capital of Acacia Mining plc not already owned by Barrick.

<sup>5</sup> Assets that have been contributed to Nevada Gold Mines LLC, the joint venture with Newmont Gold Corporation that closed on July 1, 2019. The joint venture is owned 61.5% by Barrick and 38.5% by Newmont Gold Corporation.





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## GLOBAL ECONOMIC CONTRIBUTION

### \$7.48 billion in economic contributions to host countries in 2018

## OUR WORKFORCE

	Legacy Barrick	Former Randgold	Total
Number of employees	14,950	4,580	19,530
Number of contractors	11,940	7,310	19,250

“Barrick’s new sustainability vision is driven by a commitment to contribute to the social and economic development of our host countries and communities.”

Mark Bristow, President and CEO



# ECONOMIC CONTRIBUTIONS AND WORKFORCE

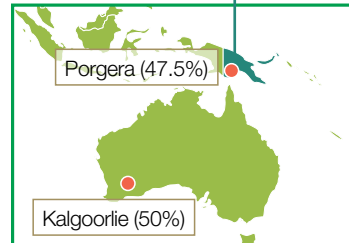
## NORTH AMERICA

**Canada**  
 \$484 million  
 845

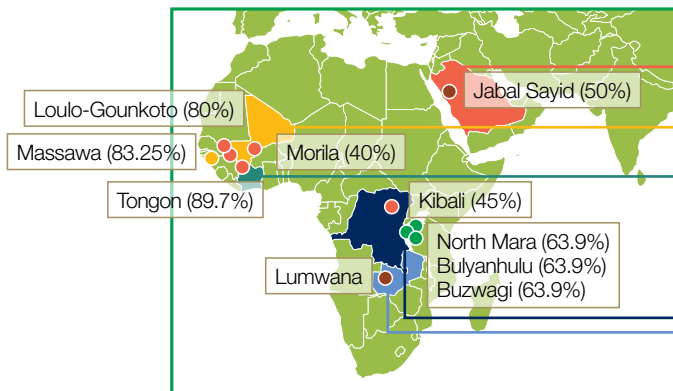
**USA**  
 \$2.5 billion  
 4,915

## AUSTRALIA PACIFIC

**Papua New Guinea**  
 \$393 million  
 4,345



## AFRICA AND MIDDLE EAST



<sup>1</sup> Assets that have been contributed to Nevada Gold Mines LLC, the joint venture with Newmont Gold Corporation that closed on July 1, 2019. The joint venture is owned 61.5% by Barrick and 38.5% by Newmont Gold Corporation.

Economic contributions in each country. Includes payments to employees, purchases from host country suppliers, payments to government and community investments.

Total workforce (Employees and contractors).

## LATIN AMERICA (LATAM)

**Dominican Republic**  
 \$670 million  
 4,915

**Peru**  
 \$471 million  
 2,920

**Argentina**  
 \$737 million  
 3,615

**Chile**  
 \$198 million  
 375

**Saudi Arabia**  
 \$167 million  
 735

**Mali**  
 \$627 million  
 5,060

**Côte d'Ivoire**  
 \$169 million  
 1,830

**DRC**  
 \$393 million  
 5,005

**Zambia**  
 \$670 million  
 4,220



# 2018 SUSTAINABILITY PERFORMANCE SNAPSHOT

	Legacy Barrick	Former Randgold	Consolidated
<b>Social and economic development</b>			
<b>Total economic value contributed<sup>1</sup></b>			
Amount distributed to host country stakeholders	\$6.29 billion	\$1.19 billion	\$7.48 billion
<b>Payments to Government</b>			
Amount paid in taxes, royalties and related dividends	\$762 million	\$307 million	\$1.07 billion
<b>Local hiring<sup>2</sup></b>			
Employees from local communities	46%	20%	40%
Employees who are host country nationals	96%	92%	95%
<b>Local buying</b>			
Goods and services procured from host country businesses	82% (\$3.9 billion)	68% (\$807 million)	79% (\$4.7 billion)
<b>Community development</b>			
Amount invested in community projects and programs	\$37.2 million	\$7.8 million	\$45.0 million
<b>Community engagement</b>			
Our sites operating local community engagement programs including a grievance mechanism	100%	100%	100%
<b>Malaria incidence</b>			
Malaria incidence rate for Africa and Middle East (AME) region as a percentage of the workforce <sup>3</sup>	12.3% <sup>4</sup>	22.9%	20.4%
<b>HIV/AIDS incidence</b>			
Number of Voluntary Counseling and Testing (VCTs) conducted for HIV among our workforce	1,086 <sup>5</sup>	10,912	11,998
<b>Indigenous peoples</b>			
Number of incidents involving the rights of indigenous peoples	Zero	Zero	Zero
<b>Health and safety</b>			
<b>Fatalities</b>			
Number of fatalities	Zero	Zero	Zero
Total Recordable Injury Frequency Rate (TRIFR) <sup>6</sup>	1.62	3.32	2.12
Lost Time Injury Frequency Rate (LTIFR) <sup>7</sup>	0.53	0.29	0.46
<b>Occupational health</b>			
Workers covered by our occupational health and safety services	100%	100%	100%
<b>Human rights</b>			
<b>Human rights compliance</b>			
Any occasion when we caused, contributed to, or were directly linked to any serious allegations of human rights incidents at any mine we operate	Zero	Zero	Zero
<b>Independent assessments</b>			
Number of mines which completed human rights assessments	3	Zero	3 (Lumwana, Lagunas Norte, Pierina)
<b>Anti-corruption compliance</b>			
Sites globally assessed for risks related to corruption	100%	100%	100%

<sup>1</sup> Includes payments to employees, purchases from host country suppliers, payments to Governments and community investments.

<sup>2</sup> Each mine sets its own definition of 'local' in consultation with its local stakeholders. In general, local includes those communities directly impacted by our mining activities or ancillary properties (such as power lines).

<sup>3</sup> Number of new positive cases per 100 employees during the reporting period.

<sup>4</sup> Note this incidence rate applies only to Lumwana in Zambia, the only one of the legacy Barrick sites with significant levels of malaria.

<sup>5</sup> Note this rate applies only to Lumwana in Zambia, the only one of the legacy Barrick sites with significant levels of HIV/AIDS.

<sup>6</sup> Note that frequency rates are based on 1 million hours worked, a change from the methodology used in previous reports for legacy Barrick.

<sup>7</sup> Defined as number of Lost Time Injuries (LTIs) (ie injuries that occur in the execution of duties that mean the person is unable to perform those duties for at least one day), per 1 million man-hours worked.

	Legacy Barrick	Former Randgold	Consolidated
<b>Managing our impacts on the natural environment</b>			
<b>High significance environmental incidents</b> Number of high significance environmental incidents based on the classification systems of the two previous Companies <sup>8</sup>	Zero	Zero	Zero
<b>Medium significance environmental incidents</b> Number of medium significance environmental incidents based on the classification systems of the two previous Companies <sup>9</sup>	7	1	8 <sup>10</sup>
<b>Annual greenhouse gas emissions</b> Scope 1 - tonnes CO <sub>2</sub> e Scope 2 - tonnes CO <sub>2</sub> e <sup>11</sup>	3,971,000 572,000	856,000 52,000	4,827,000 624,000
<b>Emissions intensity</b> CO <sub>2</sub> e per tonne of ore processed	0.04	0.04	0.04
<b>Total high-quality water withdrawal</b> Megaliters of high-quality water withdrawn	149,657ML	60,742ML	210,399ML
<b>Water intensity<sup>12</sup></b> M <sup>3</sup> of water consumed/tonne of ore processed	0.68m <sup>3</sup>	1.07m <sup>3</sup>	0.75m <sup>3</sup>
<b>Responsible tailings management</b> Tonnes of tailings material deposited	55.9 million	21.5 million	77.4 million
<b>Biodiversity Action Plans</b> Number of operations with Biodiversity Action Plans in place	Zero	5	5

<sup>8</sup> Classified as 'Severe environmental incidents' by legacy Barrick sites and 'Class 1' by former Randgold.

<sup>9</sup> Classified as 'Reportable environmental incidents' by legacy Barrick sites and 'Class 2' by former Randgold.

<sup>10</sup> Legacy Barrick's 'Reportable environmental incidents' and former Randgold's 'Class 2' incidents are not directly equivalent, but have been consolidated here to provide an approximate baseline.

<sup>11</sup> Reported as location-based Scope 2 emissions.

<sup>12</sup> Barrick has aligned its reporting to the ICMM definition of water intensity.

## COMPANY MEMBERSHIP

- International Council on Mining and Metals (ICMM)
- World Gold Council
- UN Global Compact
- International Cyanide Management Institute (ICMI)

## EXTERNAL RECOGNITION RECEIVED IN 2018

- Barrick Gold Corporation was included in the **Dow Jones Sustainability World Index** for the 12th consecutive year and was also included in the **Dow Jones Sustainability North America Index**.
- Randgold Resources was included in the **Dow Jones Sustainability Europe Index**, and in the **FTSE4GOOD Index** for a fifth consecutive year. It was ranked in the top five within the mining sector by **FTSE4GOOD**.



MEMBER OF

**Dow Jones  
Sustainability Indices**

In Collaboration with RobecoSAM



# OUR SUSTAINABILITY TARGETS AND OBJECTIVES

Targets and objectives in 2019	
<b>Our approach</b>	
Governance of sustainability	<ul style="list-style-type: none"> <li>Establish an Environmental &amp; Social Oversight Committee</li> <li>Set a corporate sustainability vision for expanded Group</li> <li>Develop and roll out sustainability policies for expanded Group</li> <li>Review, align and develop environmental, health and safety and community engagement metrics and standards</li> <li>Complete an oversight review of the sustainability management of each of Barrick's Tier One operations by an external independent expert during the year</li> <li>Conduct independent audits to align policies and on-site performance with IFC Performance Standards</li> </ul>
<b>Social and economic development</b>	
Prioritizing local hiring	<ul style="list-style-type: none"> <li>80% of site senior management to be host country nationals by 2020</li> </ul>
Prioritizing local buying	<ul style="list-style-type: none"> <li>Work to continue to increase the proportion of goods and services bought from businesses local to the mine year-on-year</li> <li>Set targets for local procurement for the expanded Group</li> </ul>
Community engagement and development	<ul style="list-style-type: none"> <li>Start work to establish Community Development Committees (CDCs) at sites where such forums do not already exist, to be completed by end of 2020</li> <li>Respond to all grievances within 30 days, and resolve 100% of grievances through our mechanism each year</li> </ul>
<b>Health and safety</b>	
Safety	<ul style="list-style-type: none"> <li>Zero fatalities</li> <li>Achieve a TRIFR of 2.02 or lower, a 5% reduction compared to the combined legacy Companies in 2018</li> <li>Achieve a LTIFR of 0.43 or lower, a 5% reduction compared to the combined legacy Companies in 2018</li> <li>Start work to certify all operational mines to ISO 45001 Health and Safety standard, to be completed by the end of 2021</li> </ul>
Occupational health	<ul style="list-style-type: none"> <li>Conduct baseline risk assessments and associated action plans on occupational health at all sites</li> <li>Achieve a 5% year-on-year reduction in the malaria incidence rate for employees in the Africa and Middle East region</li> </ul>
<b>Human rights</b>	
Human rights compliance	<ul style="list-style-type: none"> <li>Not to cause, contribute or be directly linked to any serious human rights incidents at any mine we operate</li> <li>All mines to conduct self-assessments on human rights, with four external, independent human rights assessments to be conducted at two legacy Barrick and two former Randgold sites in 2019</li> <li>Human rights training for 100% of new employees and enhanced training for at least 90% of highly exposed employees</li> </ul>
<b>Managing our impacts on the natural environment</b>	
Managing incidents	<ul style="list-style-type: none"> <li>Zero high impact ('Class 1') environmental incidents</li> <li>Start work to certify all operational mines to ISO 14001:2015 environmental management standard, to be completed by end of 2020. At present, 88% of our mines are certified</li> </ul>
Managing water responsibly	<ul style="list-style-type: none"> <li>Reuse or recycle 70% of water at our operations in 2019</li> </ul>
Climate change	<ul style="list-style-type: none"> <li>Set a new greenhouse gas emissions reduction target based on climate science</li> <li>Commence construction of solar power plant for Loulo-Gounkoto (Mali) and complete conversion of power plant to natural gas at Pueblo Viejo (Dominican Republic)</li> </ul>
Waste management	<ul style="list-style-type: none"> <li>Complete at least three independent third party reviews of Tailings Storage Facilities (TSFs)</li> <li>Update Barrick Tailing and Heap Leach Management Standard for applicability and compatibility for all operations in the expanded Group</li> <li>Start work to certify all sites to International Cyanide Management Code (ICMI), to be completed by the end of 2020. At present, 12 of 16 operational sites are certified to the Code and the remaining four (former Randgold sites) are covered by an internal cyanide code</li> </ul>
Biodiversity	<ul style="list-style-type: none"> <li>Develop and implement Biodiversity Action Plans (BAPs) at priority sites of Pueblo Viejo, Cortez, Goldstrike and Lumwana</li> <li>Develop and implement BAPs at all sites by 2021</li> </ul>





# 1 OUR APPROACH

**Barrick's sustainability vision is to create long-term value for all our stakeholders. We contribute to the social and economic development of our host countries and communities. We protect the safety and health of our workforce. We respect human rights. And we manage our impacts on the natural environment, both today and with future generations in mind.**

**We live our vision every day, by embedding environmental, social and economic considerations into all our business decisions, through partnerships with host governments and communities and by engaging respectfully with all our stakeholders.**



Barrick is a new company. It is the product of a merger between two legacy firms – Barrick and Randgold – both of whom successfully integrated sustainability into the heart of their practices, processes and operations. While this provides us with a great starting point, we are acutely aware of the challenges of bringing two Companies together and of ensuring we deliver on our sustainability goals.

We want to be clear about Barrick's sustainability goals. That is why one of our first acts post-merger was to define a corporate vision for what we want our sustainability activity to achieve. Our mines should create long-term value for all our stakeholders, including our investors, our host countries and communities and our employees.

That means we help remote areas like Durba in the Democratic Republic of Congo (DRC) transform into thriving economies capable of supporting their region long after our mine closes. It means we invest in academic infrastructure including the new Winnemucca Medical and Science building in the US. It means we rehabilitate the contamination (from previous operators) of the Dominican Republic's Margajita River to make it safe for communities and aquatic life.

## THE VISION, POLICIES AND PRINCIPLES THAT FRAME OUR STRATEGY

Our vision identifies four key ambitions for our sustainability activity: To create economic benefits, protect health and safety, respect human rights and minimize our environmental impacts.

Our approach to achieving these four ambitions is set out in a new overarching **Sustainable Development Policy**, which commits us to supporting the socio-economic development of host countries and communities. We have also published refreshed policies in the areas of Biodiversity, Community Development and Engagement, **Occupational Health and Safety**, **Environment** and **Human Rights**. All policies meet or exceed the requirements of host country legislation and international standards such as the IFC Performance Standards or UN Guiding Principles on Business and Human Rights<sup>1</sup>. Our updated Code of Conduct sets out the ethical behavior expected of everyone working at, or with, Barrick.

<sup>1</sup> For a full list of sustainability related policies, including refreshed policies in the areas of Conflict-Free Gold and Biodiversity, please visit: [www.barrick.com](http://www.barrick.com).

# OUR PRINCIPLES

## 1 We put safety first

Everyone on our mines, from a General Manager on a safety walk around to employees exercising their Stop Unsafe Work Authority, is part of an organization-wide goal of continuous improvement towards a zero-harm workplace.



## 2 We conduct our business with integrity, transparency and fairness

Our Code of Conduct and Business Ethics applies to all staff and contractors. We have zero tolerance of bribery and corruption in all forms. We transparently report on our sustainability performance and impacts.



## 3 We build and maintain genuine partnerships

We constantly work to form and maintain mutually beneficial and sustainable partnerships with our core stakeholders including Governments, local communities, shareholders and suppliers.



## 4 We prioritize local hiring and buying

We build the skills and capacity of host country workers and vendors, to multiply our positive impact on local, regional and national economies.



## 5 We empower local communities

We invest in social and economic opportunities including education, water and healthcare and we form locally elected Community Development Committees to help host communities shape and deliver sustainable development on the ground.



## 6 We reduce our environmental impacts

Every site is expected to minimize energy and water use, manage waste and land safely and be a responsible steward of its natural environment.



## 7 We plan for closure at all stages

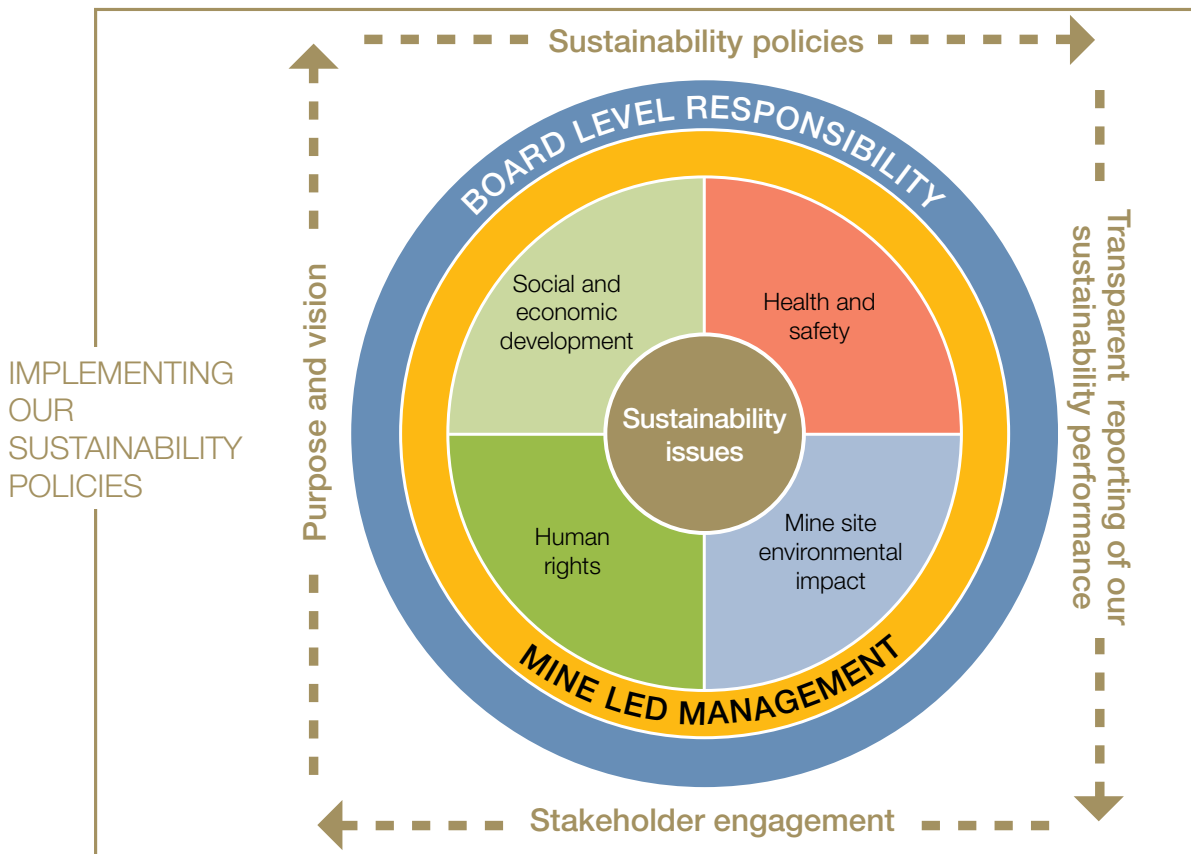
We rehabilitate our mine sites as we go and we invest in economic and environmental projects that can be sustained beyond the life of a mine.



We expect the social and environmental expectations of mining companies to become even higher in the future. We are clear that our ability to maintain our social license to operate will depend on our ability to meet these expectations. To meet this challenge, we must embed environmental, social and economic considerations into all our business decisions, must engage respectfully with all stakeholders and act on their concerns and must build deep partnerships with our communities, host Governments and other stakeholders.



# GOVERNANCE OF SUSTAINABILITY



To implement the vision, policies and principles that constitute our sustainability framework, we have allocated responsibilities for sustainability across the organization.

At Barrick the Board of Directors is responsible for the stewardship of the Company and for the supervision of the management of the business and affairs of the Company. Our commitment to sustainability therefore starts at the Board level.

The Corporate Governance & Nominating Committee directly supports the Board in overseeing our activity on environmental management, health and safety and human rights programs, policies and performance. This includes reviewing and assessing the effectiveness of Barrick's corporate social responsibility and security policies and standards. It is comprised of three Independent Directors: Gustavo A Cisneros (Chairman), Christopher L Coleman and Brian L Greenspun.



## Management level

The Environmental & Social (E&S) Oversight Committee is a senior management-level committee that meets quarterly to review the Company's sustainability performance and compliance with its sustainability policies. This committee aims to identify concerns and opportunities at the Company's operations at an early stage and foster continual improvement. This committee is chaired by our CEO and includes each of the regional Chief Operating Officers, Mine General Managers and health, safety, environment and community leads, as well as the Group Sustainability Executive and an independent sustainability consultant in an advisory role. As part of their membership on the committee, we ask the independent consultant to complete an oversight review of the sustainability management of each Tier One operation during the year.

The E&S Oversight Committee is an important mechanism for connecting site-level ownership of sustainability with the leadership of the Company. For example, the CEO and Senior Executives on the Committee will discuss items such as site-specific community grievances and environmental incidents at each meeting, with minutes and action points presented to the Board and to the Board-level Corporate Governance & Nominating Committee. These minutes form a standing agenda item in both forums.

## Devolution to where the business is

Day-to-day ownership of sustainability risks and opportunities is in the hands of individual sites – where our core business is.

Each operation's General Manager, supported by dedicated teams on site, is accountable for putting Barrick's vision into action at the site level. That includes maintaining an ISO-certified environmental and safety management system, building robust community engagement mechanisms and managing energy and water plans. We pride ourselves on each mine's operational excellence and link financial incentives for General Managers to their sustainability performance.

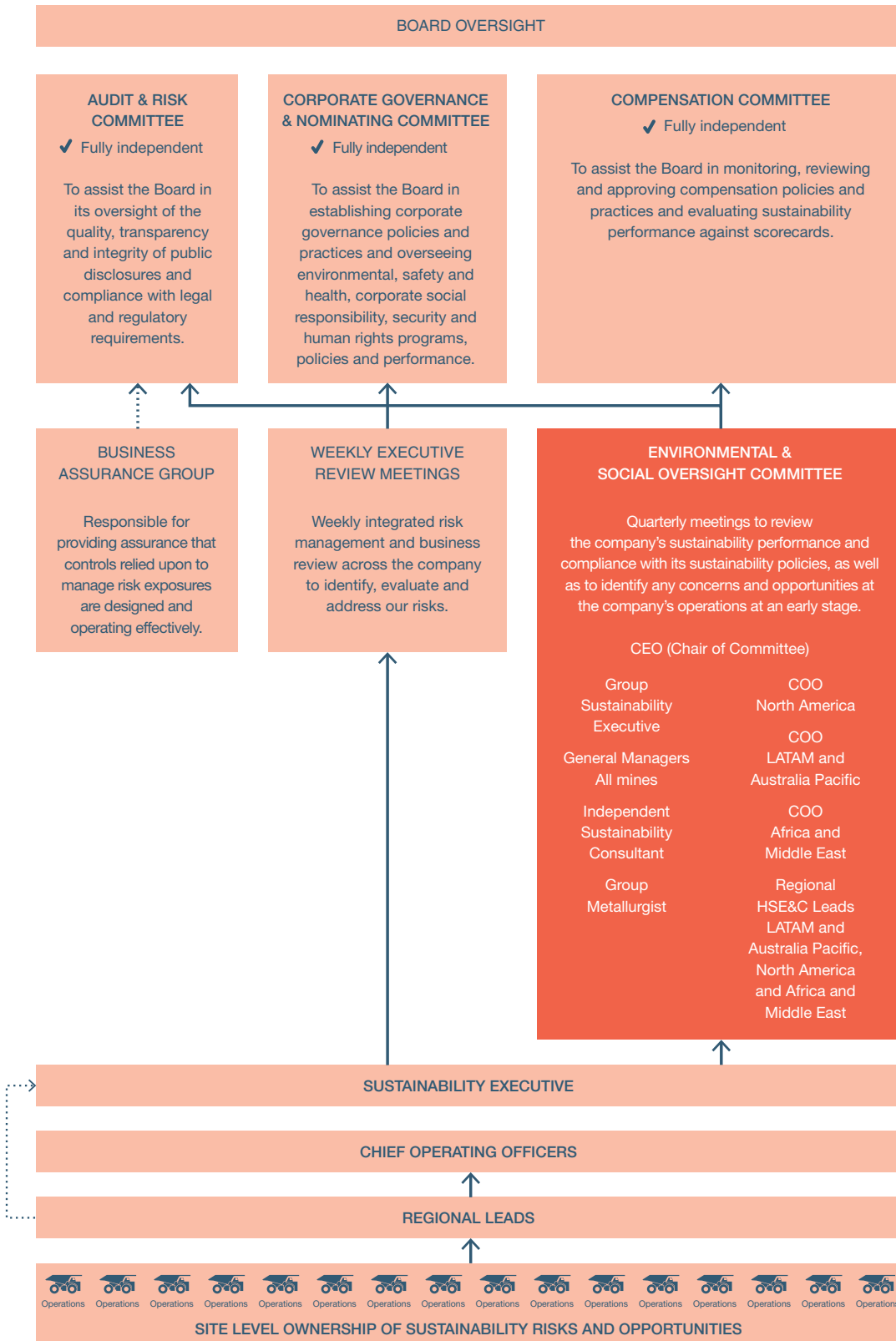
The work of each mine's environmental, safety and community team is supported by regular interaction and weekly reporting with the Group Sustainability Executive and leads for our three regions: North America, LatAm and Australian Pacific and Africa and Middle East. All three regions have specialist leads in environment, health and safety and community engagement and development.

Management of our mines' sustainability performance is supervised by our Group Sustainability Executive, supported by regular interaction with regional Chief Operating Officers (COOs). The Group Sustainability Executive reports on sustainability-related issues to the Board on a quarterly basis.

We have put this governance in place so that the management of sustainability risks and sustainability impacts associated with our business is integrated across our expanded Group.



FIGURE 1: ORGANOGRAM OF RELEVANT SUSTAINABILITY GOVERNANCE



## Remuneration policies

Our expanded Group continues to consider performance against key sustainability goals as part of the remuneration packages for our top executives, site-level management teams and the wider workforce.

In total, 15% of all annual incentive compensation for our CEO, senior leaders and other relevant parts of our workforce is based on a 'reputation and license to operate' component. This is driven by a scorecard measuring the Company's performance on safety, environment, anti-corruption, human rights and community relations. Performance is assessed using a combination of quantitative and qualitative measures. The quantitative measures include trends in environmental incidents, fatalities and workplace injuries. Qualitative measures include our overall compliance record, our success in building and maintaining strong relationships with core stakeholders and external assessments of our sustainability performance, such as inclusion in the **Dow Jones Sustainability Index**.

For General Managers on each site, in 2018, 40% of a mine's annual short-term incentives at legacy Barrick sites were based on the achievement and improvements over time against key health, safety, environment and compliance performance indicators. Should a significant safety or environmental incident occur at a site, the overall bonus available at that mine site was capped at 70%, even if all economic targets were achieved or surpassed. Barrick will continue with this approach in 2019.

On a Company-wide basis, the Compensation Committee of the Board of Directors assesses overall performance related to health and safety, environment, legal and ethics compliance and people measures. Detailed information is available in the annual [Information Circular](#).



# CHANGES SINCE OUR MERGER

Following our merger with Randgold, there have been several changes in Barrick's governance and management of sustainability. These include:

- The creation of the management-level Environmental & Social Oversight Committee to regularly review the Company's sustainability performance. This supersedes the quarterly sustainability reviews.
- The former Board's Corporate Responsibility Committee has been folded into the Corporate Governance & Nominating Committee.
- Weekly Business Plan Review meetings (BPRs) have been replaced with weekly Executive Committee (ExCo) meetings led by our President and CEO.
- The external CSR Advisory Board, that was used as a discussion forum, has been disbanded.
- The rollout of a *Sustainable Development Policy* and refreshed policies in the areas of Biodiversity, Community Development and Engagement, *Occupational Health and Safety*, *Environment* and *Human Rights*.

## Risk management

The ability to deliver on our vision, strategic objectives and operating guidance depends on our ability to understand and appropriately respond to the uncertainties or 'risks' we face that may prevent us from achieving our objectives. In order to achieve this we:

- Maintain a framework that permits us to identify, evaluate and manage risk effectively and in a manner that creates the greatest value.
- Integrate a process for managing risk into all our important decision-making processes so that we reduce the effect of uncertainty on achieving our objectives.
- Actively monitor the key controls we rely on to achieve the Company's objectives so that they remain in place and are effective at all times.
- Provide assurance to the executives and relevant committees of the Board of Directors on the effectiveness of key control activities and the identification and management of risk within the business.

At the Board level, we maintain strong risk oversight practices, with responsibilities outlined in the Board's and related committees' mandates. The Board's mandate makes clear its responsibility for reviewing and discussing with management the processes used to assess and manage risk. The Audit & Risk Committee assists the Board in overseeing the Company's management of principal risks, as well as the implementation of policies and standards for monitoring and modifying such risks.

At a management level, responsibility for Group level risk evaluation and risk management planning lies with our Senior Vice President (SVP) of Assurance and Risk. On risk-related matters, management reports directly to the Chairman of the Audit & Risk Committee.

As part of our risk management processes, we conduct on-going sensitivity analysis and stress tests to assess the potential impacts of, and any changes to, our key business risks (including exchange and interest rates, political risk or changes to tax or fiscal regimes). We also conduct a correlation analysis for financial risks. We undertake assessments of sustainability risks including climate change and access to energy and water. We have identified climate change, water scarcity, epidemics and compliance with anti-corruption and human rights commitments as key sustainability-linked risks that could have a significant impact on our business.

A corporate risk register has been compiled for the expanded Group to identify and manage the high-level risks facing the organization from a strategic and business risk perspective. Sustainability risks including corruption, climate and water are all considered in the final risk assessment and register. Each individual site also has an operational risk register, managed by the mine's General Manager, that includes the impacts of climate change and water scarcity as risks to be managed. Summaries of each operational risk register contribute to the formation of the Group corporate risk register.

In depth information on our risk management is available in our 2018 Annual Report.



“ Most companies say that partnership is important to their business. At Barrick we mean it. Our ability to form and maintain partnerships is just as important to our success as our geological know-how or engineering expertise.

We believe that partnerships work best when they reflect realities and when they establish clear mutual interests and benefits. For example, in Nevada, US conservation authorities want to protect the habitats of the under-threat Sage-Grouse. We recognize the need to offset some of our negative impacts on local biodiversity. So, we have entered into a formal partnership with authorities to protect the bird’s habitat across more than 400,000 acres of land which we manage.

From Argentina to Zambia our message on partnership is the same. For example, we help local communities in remote parts of the DRC, Mali and Côte d’Ivoire to build and equip health clinics, but only on the proviso that these will be handed over to local authorities to run independent of our support as soon as is possible.

We invest in real partnerships with mutual responsibility. It is not always easy, but it is at the heart of our approach to sustainability. ”

*Mark Bristow,  
President and CEO*



# STAKEHOLDER ENGAGEMENT

Our sustainability vision can only be meaningfully implemented through true partnerships with the Governments, communities, suppliers and other stakeholders on which our business depends. By being open and honest in our approach to stakeholder engagement, we are able to create the relationships of trust and mutual understanding necessary for a successful partnership.

## Identifying, reaching, and engaging stakeholders

Through regular stakeholder- and issues-mapping exercises we identified eight key stakeholder groups of strategic importance to our business. These groups include those who:

- Our business activities may significantly impact, such as local communities
- Directly affect our business, such as Governments
- Have an interest in our activities, such as investors and civil society organizations

Our stakeholders include:

- Our shareholders
- Our employees and their unions
- Our home and host Governments
- Our local communities
- Civil society organizations
- Our suppliers and contractors
- Our joint venture partners
- The media

We use a range of different methods for engagement based on the stakeholder. Engagement methods range from town halls with our CEO at our mine sites, to one-on-one meetings with investors and analysts, to publishing real-time environmental data at some of our sites. Our approach is tailored to meet the needs of each group.

At Barrick, above all else we aim to be an organization that listens to our stakeholders and where there are challenges, we aim to find mutually agreeable solutions. That is why, for example, in his first 100 days our new CEO committed to visiting all our operations and to holding a series of employee and stakeholder meetings that included sessions in Nevada with employees and the Western Shoshone indigenous population, in Papua New Guinea with landowners and the Prime Minister, in Mali with local chiefs and communities and in Argentina with workers and the Governor of San Juan.



## Key topics and concerns raised

There was a high degree of overlap in the issues most important to stakeholders of legacy Barrick and former Randgold in 2018. Social and economic development, local jobs, closure planning, water management and health and safety all ranked highly for the stakeholders of both Companies.

Stakeholder	How legacy Companies engaged	Key issue raised by stakeholders	How we responded
Shareholders	<ul style="list-style-type: none"> <li>■ In-person meetings</li> <li>■ Formal reporting including participation in sustainability indices</li> <li>■ Annual General Meetings</li> <li>■ Materiality assessment survey</li> </ul>	<ul style="list-style-type: none"> <li>■ Financial and operational performance</li> <li>■ Climate change</li> <li>■ Governance</li> <li>■ Safety</li> <li>■ Local economic development</li> <li>■ Water management</li> </ul>	Local economic development, safety and environmental management, including climate and water risks, are central to our vision for sustainability. The actions taken on these issues are reported in Chapters 2, 3 and 5 of this report respectively. Our 2018 Annual Report contains information on our financial and operational performance and this Chapter details our governance.
Employees and unions	<ul style="list-style-type: none"> <li>■ Mass employee meetings</li> <li>■ Virtual town halls</li> <li>■ Employee newsletters and intranet</li> <li>■ Compliance hotline</li> <li>■ Union access to mine Boards at former Randgold mines</li> <li>■ Materiality assessment survey</li> </ul>	<ul style="list-style-type: none"> <li>■ Safety</li> <li>■ Occupational health</li> <li>■ Skills training</li> <li>■ Organizational changes</li> </ul>	Health and safety is a top priority for Barrick and our actions are detailed in Chapter 3. The actions taken to support training and skills are reported in Chapter 2.
Home and host Governments	<ul style="list-style-type: none"> <li>■ In-person meetings</li> <li>■ Participation in multi-stakeholder initiatives</li> <li>■ Collective action via industry associations</li> <li>■ Materiality assessment survey</li> </ul>	<ul style="list-style-type: none"> <li>■ Social and economic development including closure</li> <li>■ Compliance</li> <li>■ Safety</li> <li>■ Waste management, including cyanide</li> </ul>	Our efforts to support the socio-economic development of host countries and communities, to manage health and safety and to be responsible for our waste management are reported in Chapters 2, 3 and 5 respectively. Chapter 1 details our commitments to do business in an ethical way.
Local communities	<ul style="list-style-type: none"> <li>■ Informal one-on-one meetings with site-level community relations teams</li> <li>■ Formal dialogue</li> <li>■ Site tours</li> <li>■ Perception surveys</li> <li>■ Grievance mechanisms</li> <li>■ Community Development Committees at former Randgold mines</li> <li>■ Materiality assessment survey</li> </ul>	<ul style="list-style-type: none"> <li>■ Local employment and economic development</li> <li>■ Supplier impacts</li> <li>■ Malaria incidence</li> <li>■ Closure</li> <li>■ Grievance resolution</li> <li>■ Environmental impacts (particularly related to water)</li> </ul>	The actions taken to support local economic development (including local hiring and buying), sustainable closure and responsible environmental management are reported in Chapters 2 and 5 of this report respectively.
Civil society organizations	<ul style="list-style-type: none"> <li>■ Participation in multi-stakeholder initiatives</li> <li>■ Site tours</li> <li>■ Materiality assessment survey</li> <li>■ Collaborative partnerships with NGOs</li> </ul>	<ul style="list-style-type: none"> <li>■ Environmental management</li> <li>■ HIV/AIDS</li> <li>■ Responsible business practices</li> <li>■ Climate change</li> <li>■ Human rights</li> </ul>	Respect for human rights and responsible environmental management are central to our vision for sustainability and we detail our activities in Chapters 4 and 5 of this report. Chapter 1 details our commitments to do business in an ethical way.
Suppliers and contractors	<ul style="list-style-type: none"> <li>■ In-person meetings</li> <li>■ Collective action via industry associations</li> <li>■ Materiality assessment survey</li> </ul>	<ul style="list-style-type: none"> <li>■ Occupational health and safety</li> <li>■ Environmental management</li> <li>■ Local economic development</li> </ul>	Health and safety is a top priority for Barrick. Our actions are detailed in Chapter 3. Our response on local economic development and responsible environmental management is detailed in Chapters 2 and 5 respectively.
Joint venture partners	<ul style="list-style-type: none"> <li>■ Formal reporting</li> <li>■ Materiality assessment survey</li> <li>■ Ad-hoc contributions to industry-wide reports and campaigns</li> </ul>	<ul style="list-style-type: none"> <li>■ Operational performance</li> </ul>	We encourage our joint venture partners to adopt sustainability-related policies and procedures that are at least as strong as those that we apply to our own operations.
Media	<ul style="list-style-type: none"> <li>■ Press releases</li> <li>■ Interviews</li> <li>■ Briefings</li> </ul>	<ul style="list-style-type: none"> <li>■ Local economic development</li> <li>■ Water management and biodiversity</li> </ul>	Local economic development and responsible environmental management, including of water and biodiversity, are central to our vision for sustainability and we report on our activities in Chapters 2 and 5 of this report respectively.



# MATERIALITY ASSESSMENT



Following the merger with Randgold, we conducted a formal materiality assessment survey with our stakeholders<sup>1</sup>.

We asked a sample of leaders from our eight priority stakeholder groups to consider a comprehensive list of sustainability topics and to prioritize the issues where our business activities have the greatest impact and which influence their assessments and decisions the most. We used these insights to identify our priority sustainability-related issues.

Not only has this process informed our reporting, identifying these topics has helped inform our strategic thinking on the issues in 2019.

FIGURE 2: OUR MATERIALITY ASSESSMENT PROCESS

## 1 IDENTIFY THE POTENTIAL ISSUES

Our Group Sustainability Executive and other members of the sustainability team, with the support of external consultants, identified a list of 36 sustainability topics that could be considered material to our business both within and outside the boundaries of our operations. Topics were drawn from a range of sources, including:

- GRI Sustainability Reporting Standards.
- GRI G4 Mining and Metals Sector Supplement.
- Internal knowledge of the legal, political, economic, social and environmental contexts of our host countries and communities.
- Industry trends and agreements.
- Our own organisational values and policies.

## 2 SURVEYING STAKEHOLDERS

We sent the list of 36 topics to our core stakeholders and a cross-section of employees. Management and employees were asked to rate each of these topics on a scale from one to five based on perceived impact on and of the business on each topic. Other stakeholders were asked to identify from the list the 10 topics with the biggest impact and which was most important to them. External stakeholders surveyed included our suppliers, Government representatives, NGOs, trade union representatives, joint venture partners, trade and industry associations, shareholders and local communities.

## 3 ANALYSIS AND VALIDATION

The results of the surveys were analysed, with each identified topic given two scores using an internally developed scoring system.

The aggregate survey findings were reviewed by the Group Sustainability Executive to ensure they provided balanced coverage of our most material issues. After consideration and validation these scores were used to create a sustainability materiality matrix.

## 4 IDENTIFICATION OF PRIORITY ISSUES

In order to draw a threshold for reporting, we set boundaries to identify our highest priority and medium priority issues. We defined a high priority issue as either one that appeared as a top three priority for either internal or external stakeholders, or as one that appeared in the top 10 priority issues of both internal and external stakeholders.

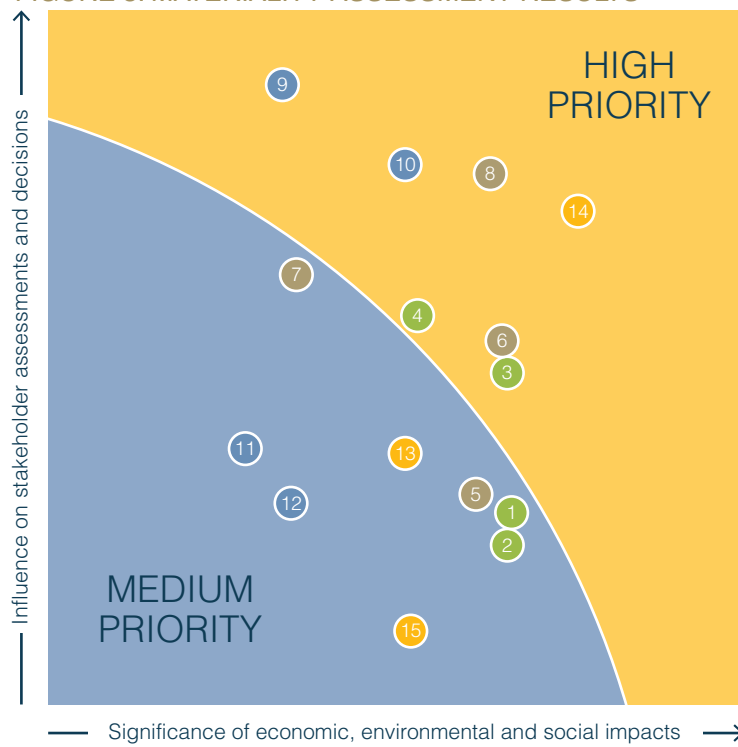
For internal stakeholders, the top three issues were health and safety, water pollution and responsible tailings management, whereas external priorities were heavily focused on community related issues. The top three issues for our external stakeholders were community development, responsible community engagement and being transparent about payments to Government.

We selected medium priority issues as those issues which appeared in the top 12 issues for one of either the internal stakeholder group or the external stakeholder group.

<sup>1</sup> Please note that the materiality basis for the preparation of Barrick's sustainability report and disclosure of sustainability-related information may differ from materiality standards used by Barrick for other purposes, such as our securities regulatory filings and financial reporting. Unless otherwise noted, excerpted information is presented as originally disclosed as of the date of those documents and has not been updated or revised as of the date of this report.



FIGURE 3: MATERIALITY ASSESSMENT RESULTS



## Our priority sustainability issues for 2019

The materiality assessment survey identified seven sustainability topics as being of highest priority for our expanded Group in 2019. These were:

- Health and safety
- Managing water responsibly<sup>1</sup>
- Responsible tailings management
- Doing business in an ethical manner
- Payments to Government
- Community engagement
- Community development

The survey identified a further eight issues as medium priority for 2019, these were:

- Local economic development
- Emergency preparedness
- Indigenous peoples
- Prioritizing local hiring
- Environmental incidents
- Managing hazardous waste
- Anti-corruption compliance
- Occupational health

### Environment

- 1 Environmental incidents
- 2 Managing hazardous waste
- 3 Responsible tailings management
- 4 Managing water responsibly

### Governance and human rights

- 5 Anti-corruption compliance
- 6 Doing business in an ethical manner
- 7 Indigenous peoples
- 8 Payments to government

### Social and economic development

- 9 Community development
- 10 Community engagement
- 11 Prioritizing local hiring
- 12 Local economic development

### Health and safety

- 13 Emergency preparedness
- 14 Health and safety
- 15 Occupational health

It is notable that at a geographic level there was a considerable divergence of priorities. For example, for many stakeholders linked to our operations in sub-Saharan Africa, malaria, HIV and freedom of association are ranked as medium to high priority issues. In contrast, these were low priority issues for our North American and Latin American stakeholders, who identified issues such as bribery and corruption, environmental incidents and water pollution as key issues.

To inform the content of our 2019 Sustainability Report and to guide our plans and programs, we intend to conduct a new and more extensive materiality assessment survey for sustainability issues later in 2019.

<sup>1</sup> Note our materiality assessment survey returned two priorities 'managing water quality' and 'responsible water use'. For reporting purposes both these categories are reported under our umbrella approach to 'Managing water responsibly'.



# DOING BUSINESS IN AN ETHICAL MANNER



Being a responsible Company means upholding the highest ethical standards and complying with all applicable laws and regulations, industry practices and international norms. Falling below this standard endangers the trusted and constructive relationships on which our success depends and threatens our social license to operate.

At the core of our policy framework is our updated Code of Business Conduct and Ethics (the Code). The Code was updated to fit with the expanded Group in 2019. The Code

sets out the ethical behavior expected of all employees, contractors and third-party vendors. It covers all the operations in the expanded Group. The Board, in its role as the steward of the Company, oversees the Code as well as the systems and processes that have been adopted to implement it throughout our Company.

At its core, the Code sets an expectation that Barrick employees will conduct business with honesty, respect and integrity and that they will report any issues and concerns that they may have. Contractors have a similar obligation when they perform work for Barrick. To facilitate reporting, we have put in place a Compliance Hotline that employees and contractors can access anonymously to report concerns. We do not tolerate retaliation by anyone, regardless of their level or position, against an employee, contractor or other third-party vendor for raising concerns or questions regarding ethics or for reporting suspected Code violations in good faith.

If employees, contractors or third-party vendors are found to violate the Code, they will be subject to disciplinary action or contractual remedies. The nature of the disciplinary action is determined by several factors, including the severity and frequency of the violation, past misconduct, relevant knowledge or intent and prior training. Disciplinary action may range from training to verbal warning to termination of employment. In appropriate cases (for example, reports of serious human rights violations), referrals may be made to relevant law enforcement authorities.

Everyone at Barrick has a duty to understand and follow the Code. Barrick provides mandatory training on the Code to all new people working for Barrick. In addition, all people in administrative offices and all supervisors or higher management positions at mine or project sites are required to undertake annual refresher training on the Code. In total, over 5,000 people at legacy Barrick sites received training on the Code in 2018.

*Barrick's core values are inculcated into every employee.*









# ANTI-CORRUPTION COMPLIANCE

A key element of our responsible business conduct is a zero-tolerance approach to bribery and corruption. This commitment is detailed in both our updated Code of Business Conduct and Ethics and our Anti-Bribery and Anti-Corruption Policy.

These policies are implemented through a comprehensive anti-corruption compliance program which includes:

- Training on anti-corruption as a mandatory part of induction. We also provide enhanced training for at least 90% of those people most exposed to corruption risk and meeting this target is part of the annual remuneration scorecard for our CEO and senior leaders. In total over 5,000 employees were trained on anti-corruption at legacy Barrick sites in 2018.
- Requiring all workers to report any suspicions of bribery or corruption. We provide a confidential whistleblowing hotline (EthicsPoint), managed by an independent third-party, on systems that we cannot access.
- Prohibiting our personnel from asking for or accepting any gifts or other benefits where doing so might impair or be seen to impair their ability to perform their duties in a fair and unbiased manner.
- Applying 'common sense' measures to minimize the risk of bribery and corruption, such as a requirement, where possible, that at least two people attend any meeting with Government officials and educating personnel to not make improper payments, even if told these kinds of practices are common, customary or condoned in the local context.
- Conducting risk assessments related to corruption. We require each site to conduct a self-assessment for corruption risk in line with the requirements of the US Foreign Corrupt Practices Act (FCPA). We also conduct external, independent assessments for medium- and high-risk sites. In 2018, this included an anti-corruption risk assessment for Pueblo Viejo and high-level anti-corruption program reviews of the corporate office and sites in Argentina, Zambia, Dominican Republic and Peru. In 2019, external assessments will be carried out at four higher risk sites, including two former Randgold sites. Risk assessments are overseen by the Audit & Risk Committee of our Board.
- Extending our anti-corruption policies and procedures to vendors. We undertake anti-corruption due diligence on all entities receiving funds from Barrick – including suppliers, service providers and civil society groups. Our supplier on-boarding process also explains the Supplier Code of Business Conduct and Ethics and anti-corruption compliance. All vendors that were on-boarded by former Randgold have a mandatory clause in their contracts requiring them to comply with Barrick's anti-corruption policies.

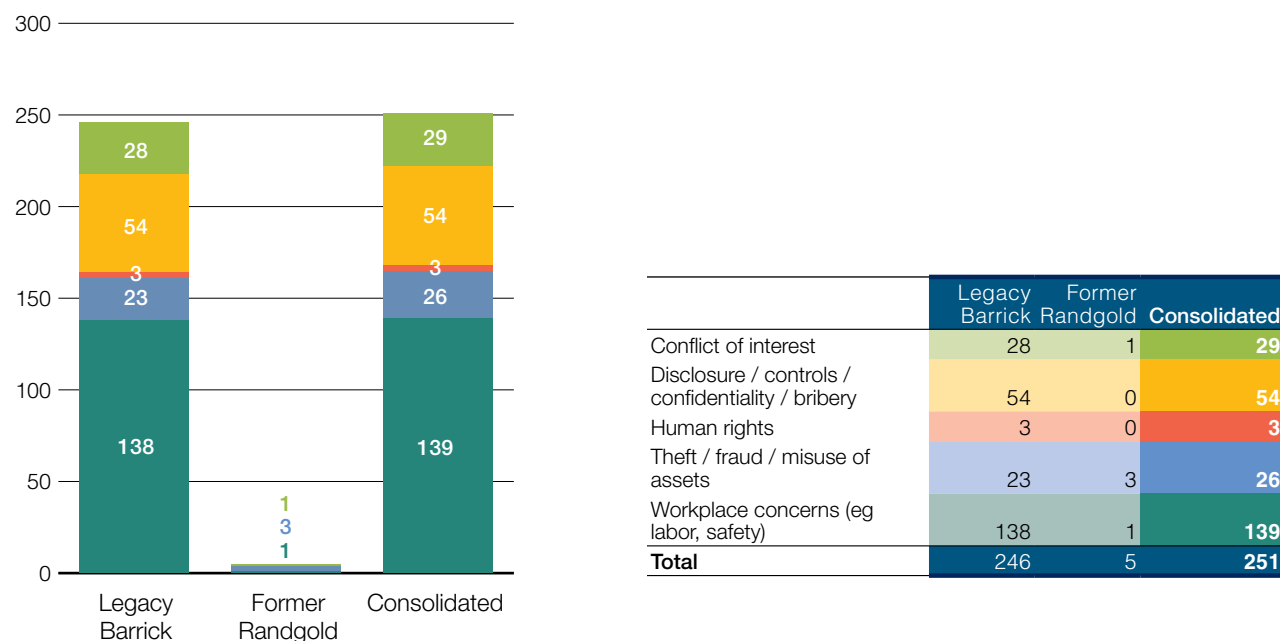




## Code of conduct: 2018 Performance

In 2018, both legacy Barrick and former Randgold had robust Codes of Conduct setting out their expectations of employees, contractors and suppliers on issues such as conflicts of interest or bribery and corruption. Each Company monitored infringements of their Codes, with appropriate investigations and disciplinary or corrective actions taken when a breach occurred.

FIGURE 4: CODE OF CONDUCT CASES RAISED



## GOVERNMENT AFFAIRS

Host Governments are essential partners to our business. From exploration to construction, operation and closure, our activities are significantly impacted by the political and regulatory environments of our host countries.

Barrick believes in true partnership with our host countries, sharing both the responsibilities and the benefits that come with mining. Our Sustainable Development Policy commits us to support socio-economic development as an integral part of our contribution to local communities and host countries and to be transparent in our relationships with them, the public and other key stakeholders. In turn, we ask Governments to provide clear rules and a stable operating regime in which we can do business.

Barrick's CEO, our regional COOs and local Country Managers work to build constructive relationships with local and national Governments on Barrick's behalf. In general, we do not contribute funding to politicians or political parties, except on a limited basis as allowed by local regulations. In 2018, the only political contributions made by either of the legacy Companies were for a total of \$19,500 in Zambia for a presidential lunch and agricultural show and \$192,000 in donations to campaigns of both parties in Nevada.



*Barrick President and CEO Mark Bristow, COO Africa and Middle East Willem Jacobs, Senegal Country Manager David Mbaye, West Africa General Manager Operations Chiaka Berthe and local logistics partner Lamine Gueye meet in Dakar with Senegal President Macky Sall and Minister of Mines and Geology Aissatou Sophie Gladima Siby.*



Direct public policy activities conducted in 2018 by both legacy Companies included:

- **In the Dominican Republic**, we engaged with the Government on several issues, including providing comments to a proposed amendment to the mining law, developing an agreement to allow us to sell excess power via the construction of the Bonao III power substation and engaging as part of a June 2016 agreement to act as the Government agent to help with the clean-up of historical liabilities that the Government is responsible for near the mine. We also engaged with the Municipal Governments of Cotuí and Zambrana around the construction of municipal works funded by Pueblo Viejo and with the Government National Technical Formation Institute for the implementation of a training and apprentice program for young people from the communities.
- **In Papua New Guinea**, Barrick Niugini Limited engaged with the Government to provide urgent emergency relief and recovery funding support following devastating earthquakes in the highlands region of that country. We also participated in a Government-led review of the Porgera Mine Memoranda of Agreement which collectively details the rights and obligations of Porgera Mine beneficiaries. Company representatives attended important justice sector reform meetings held by the Government to discuss the development of more effective justice sector services and infrastructure in the highlands region.
- In 2018, Randgold took the lead on an industry engagement with the Government of **the DRC** over the creation of a new Mining Code, which has now been signed into law. The industry expressed concern about proposed increases in royalty rates and the proposed removal of a stability clause that offered protections for existing mining projects.

We also believe it is important that we are transparent about public policy activities conducted on our behalf. Barrick is a member of several industry associations who undertake public policy activities on their members' behalf. A condition of our membership is that all lobbying activities carried out by these organizations must be compliant with all relevant regulations and any breaches must be reported to authorities as required. The national or international industry associations we are members of which may liaise with Government are:

- Cámara Argentina de Empresarios Mineros
- Cámara Minera de San Juan (Argentina)
- Cámara Minera y Petrolera de la República Dominicana
- Consejo Minero (Chile)
- Chamber of Mines (Zambia)
- Chamber of Mines of DRC
- Groupement Professionnel des Miniers de Côte d'Ivoire (GPMCI)
- Chamber of Mines of Senegal
- Groupement des Professionnels du Secteur Minier du Mali (GPSMM)
- International Council on Mining and Metals
- Mining Association of Canada
- Nevada Mining Association
- Prospectors and Developers Association of Canada
- Sociedad Nacional de Minería (Chile)
- Sociedad Nacional de Minería, Petróleo y Energía (Peru)
- World Gold Council

## TARGETS FOR 2019 AND BEYOND

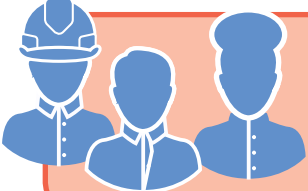
Develop and roll out refreshed **sustainability policies** and governance for the expanded Group



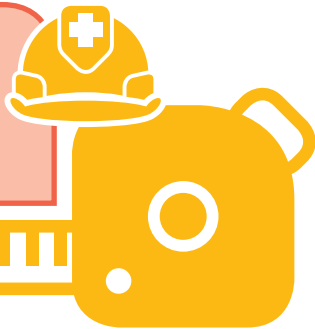

Conduct **independent audits** to align policies and on-site performance with IFC Performance Standards



Conduct a new and more extensive **materiality assessment** survey for sustainability issues to inform our 2019 Sustainability Report



Review, align and develop environmental, health and safety and community engagement **metrics and standards**



# 2 SOCIAL AND ECONOMIC DEVELOPMENT

Barrick's sustainability vision is to create long-term value for all our stakeholders. We contribute to the social and economic development of our host countries and communities. We protect the safety and health of our workforce. We respect human rights. And we manage our impacts on the natural environment, both today and with future generations in mind.



**\$7.48 billion**

in economic contributions were distributed to employees, Governments, suppliers, communities and other stakeholders by the legacy Companies<sup>1</sup>



**\$1.07 billion** in taxes and other payments to Governments<sup>1</sup>



**79%**

**\$4.7 billion**

of goods and services purchased by the legacy Companies<sup>1</sup> came from our host countries



**95%** of employees from both legacy Companies came from our host countries<sup>1</sup>



Empowering local communities by introducing

**Community Development Committees**

to guide community investments from our mines

<sup>1</sup> In 2018.





The heart of our sustainability strategy is the belief that our success depends on creating long-term value for all our stakeholders. Not just our shareholders, but also our host countries, host communities and workforce. We strive to be a good corporate citizen and a genuine partner for our host communities in locally led economic development. Alongside site-specific community investment programs, we leverage our supply chain and procurement to multiply economic benefits at a local and national level. Our long-term ambition is to help develop diverse and thriving economies that are sustainable beyond the life of a mine.

**FIGURE 5: ECONOMIC VALUE STATEMENT**

\$000	Legacy Barrick	Former Randgold	Consolidated
Payments to employees	1,495,084	66,898	1,561,982
National purchases	3,909,592	806,525	4,716,117
Payments to Governments <sup>1</sup>	761,990	307,307	1,069,297
Other payments <sup>2</sup>	87,924	0	87,924
Community development investments	37,158	7,818	44,976
<b>Total economic value distributed in host countries</b>	<b>6,291,749</b>	<b>1,188,548</b>	<b>7,480,297</b>
International purchases	857,734	388,086	1,245,820
<b>Total economic value distributed</b>	<b>7,149,483</b>	<b>1,576,634</b>	<b>8,726,117</b>

<sup>1</sup> Please note that the basis for preparation and disclosure of this information may differ from methodologies used by Barrick for other purposes, such as our ESTMA report. Some totals may not sum due to rounding.

<sup>2</sup> Includes royalties paid to third-parties, political contributions, compensation payments and payments to local communities as part of land use agreements.

*Barrick has contributed substantially to infrastructural development in its host countries.*



## PAYMENTS TO GOVERNMENTS



The taxes, royalties and dividends we make to Governments are a significant source of revenue for our host countries and help fund critical infrastructure and social programs.

### Our approach to tax

Our approach to tax is guided by our Sustainability Vision and Code of Business Conduct and Ethics and is detailed in our Company-wide Tax Management Policy. The policy sets out our commitment to comply in a responsible manner with the tax laws and practices of all the jurisdictions we operate in. Simply put, our tax strategy is to pay the right amount of tax in the right place at the right time.

The following principles underpin our approach to tax:

- **Compliance:** Our tax returns are filed on time in the prescribed form. Where legislation is complex and unclear, or the application of judgement is required, we seek advice from internal, external and/or industry experts, or work with appropriately qualified tax professionals to form our filing position.
- **Audits:** We conduct transparent tax audits. When possible, meetings are conducted with the tax auditors prior to the formal commencement of an audit to effectively plan the audit process and to present key positions taken. We aim to be as current as possible with regards to tax audits, subject to the resource constraints and other limitations of local tax authorities. When disputes arise, we seek to work collaboratively with authorities to reach common ground. We aim to behave in a way expected of a partner.
- **Risk management and mitigation:** Tax risks are identified, evaluated and monitored with the aim of mitigating such risks within acceptable tolerance levels. Our tax planning is based on reasonable interpretations of the law. We seek to secure available tax concessions so as not to be competitively disadvantaged. Related party transactions are treated similarly to third-party transactions and are structured consistent with functions performed, risks assumed and assets utilized. Barrick is actively working to simplify its corporate structure where it makes sense to do so.
- **Relationships with authorities:** We seek to build and sustain healthy relationships with Governments and tax authorities in an honest, respectful, and constructive way. In situations where tax legislation has adverse effects on our business activity, or if there is proposed reform or opportunities for improvements, then the Company will engage directly with Governments or via industry groups. This may be to set out our concerns or to offer proposals that enable us to protect our investments while not undermining Governments' ability to implement appropriate fiscal and other policies.
- **Tax transparency and reporting:** We believe transparency is a powerful tool that helps stakeholders, including Governments and tax authorities, to understand the nature and extent of tax contributions in the context of the risk taking and capital-intensive nature of the mining industry. Barrick was the first Canadian mining company to be a signatory to the Extractive Industries Transparency Initiative and continues to be a supporting member through our membership in the ICMM. We report detailed country-by-country tax and royalty payments in line with the requirements of Canada's Extractive Sector Transparency Measures Act (ESTMA) online and in this Sustainability Report. In addition, prior to the merger with Barrick, Randgold reported on payments to Governments in accordance with United Kingdom's Reports on Payments to Governments Regulations 2014.

**FIGURE 6: PAYMENTS TO GOVERNMENT BY COUNTRY**

\$'000	Payments to Governments
Argentina	122,924
Canada	2,516
Chile	7,658
Côte d'Ivoire	62,671
Dominican Republic	189,854
DRC	69,478
Mali	175,158
Papua New Guinea	20,413
Peru	86,617
US	260,169
Saudi Arabia	23,430
Zambia	48,409
<b>Total</b>	<b>1,069,297</b>

## PRIORITIZING LOCAL HIRING

Local community members rightly expect to share the benefits of our operations in their neighborhood. One of the essential ways we live up to their expectations is to commit to the recruitment, training and development of local and host country workers.

In addition to directly supporting the economic development of our local communities, this approach provides material benefits for our business. It helps our operations build an efficient and effective workforce, secure and efficient supply chains and plays a critical role in building strong community relations.



### Management approach

We give first preference to people from local communities and, as required, to develop their potential through training and effective performance management. Where there is not the appropriate availability of skills in the local area we seek to recruit from the wider region or host country nationals, before finally looking internationally.

Accountability for the implementation of our 'local-first' recruitment sits at the individual mine site. Each mine sets its own definition of 'local' in consultation with surrounding communities. In general,

local includes those communities directly impacted by our mining activities or by our ancillary properties (such as power lines). Throughout a mine's life cycle, site community relations and human resources teams work together to develop local employment plans, which identify and create opportunities for local people to work in our mines.

Elements of local employment plans include:

- Local skills assessments using mechanisms such as psychometric testing during the recruitment process and skills assessment days.
- Provision of informal and formal training for employees and community members.
- The development of succession plans for expatriate roles.

We track performance for local employment against key metrics on a monthly basis both at site and Group level to identify opportunities for improvement.



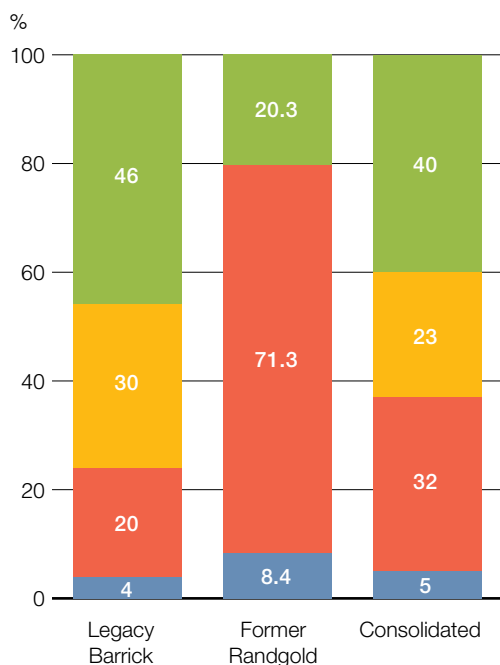
We want to ensure that people from local and host country backgrounds also receive the training they need to progress into senior management and have set a corporate target for 80% of senior site management to be host country nationals by the end of 2019. The training provided to achieve this varies from mine by mine according to existing local capacity and the operational needs.

## 2018 Performance

In 2018, 95% of employees from both legacy Companies were host country nationals.

Encouraging numbers of host country nationals hold senior management positions. For example, our Loulo-Gounkoto complex in Mali has a full Malian management team. At Kibali (DRC) and Tongon (Côte d'Ivoire) 84% and more than 83% of the mine management teams, respectively, are host country nationals.

FIGURE 7: EMPLOYEE BREAKDOWN

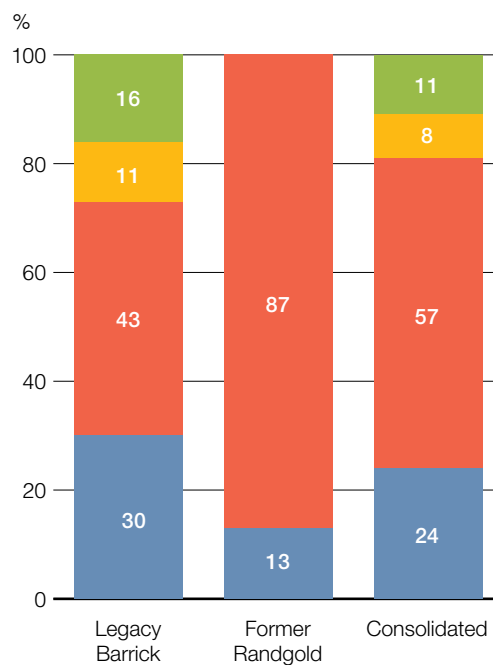


	Legacy Barrick	Former Randgold	Consolidated
Local employees <sup>1</sup>	46%	20.3%	40%
Regional employees (excluding local employees) <sup>2</sup>	30%	No data available	23%
Host country nationals (excluding local and regional employees)	20%	71.3%	32%
Foreign nationals	4%	8.4%	5%
<b>Total employees</b>	<b>14,950</b>	<b>4,580</b>	<b>19,535</b>

<sup>1</sup> The definition of 'local' is defined on a site-by-site basis in consultation with the community and other external stakeholders and in general, it includes nearby communities most impacted by mine activities or ancillary properties (such as power lines). Totals may not sum due to rounding.

<sup>2</sup> Not all Barrick sites, and none of the former Randgold sites, used a 'regional' geographic distinction among employees.

FIGURE 8: SENIOR SITE LEADER<sup>1</sup> BREAKDOWN



	Legacy Barrick	Former Randgold	Consolidated
From local communities	16%	No data available	11%
From regional areas (excluding local) <sup>2</sup>	11%	No data available	8%
Host country nationals (not including regional and local, except in the case of Former Randgold)	43%	87%	57%
Foreign nationals	30%	13%	24%
<b>Total Senior Site Leaders</b>	<b>148</b>	<b>69</b>	<b>217</b>

<sup>1</sup> Senior Site Leaders, defined as General Managers and those directly reporting to them. Totals may not sum due to rounding.

<sup>2</sup> Not all Barrick sites, and none of the former Randgold sites, used a 'regional' geographic distinction among employees.



*Mali-based hydro-carbon supplier Ben&Co has been a long-standing partner to former Randgold.*



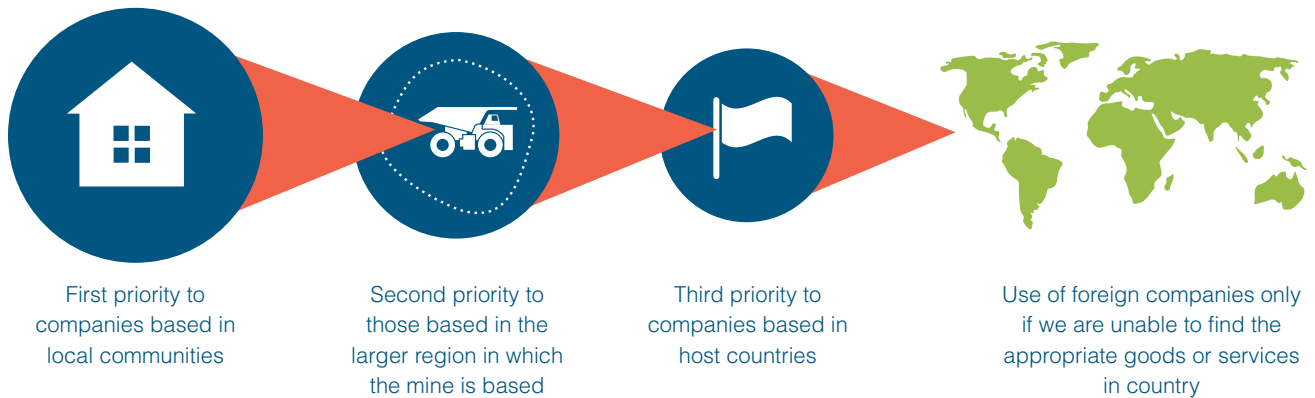
## PRIORITIZING LOCAL BUYING

Every year, Barrick purchases billions of dollars' worth of supplies, equipment, and services. These products range from diesel fuel and chemical reagents to IT equipment and haul trucks from more than 20,000 vendors worldwide. When properly structured, our supply chain is one of the most direct ways that our operations improve the prosperity and economic opportunities of host communities and individuals. This in turn supports our license to operate as well as creating stable and effective supply chains close to our mines.

*EGTF is Mali's leading construction company and has a long history with former Randgold.*



FIGURE 9: OUR APPROACH TO LOCAL PROCUREMENT



### Management approach

We structure our procurement practices to prioritize goods and services from local suppliers. Each mine is responsible for local procurement and for engaging with the community to define what constitutes 'local'. Site community relations and supply teams then work together throughout the life of a mine to understand and develop the capacity of identified local and regional suppliers, including providing mentoring for local suppliers to help them improve access to mine contracts or other opportunities. We have set a corporate target to increase the proportion of our total procurement spend from local suppliers each year.

Given the rural and remote regions where we operate, local suppliers are often not able to satisfy the procurement needs of the site, in which case we then target regional or national service providers. We have adopted a robust definition for those companies categorized as host country-based and are rolling this out across the expanded Group. They must be at least 51% equity owned by a citizen, citizen's holding or have at least 80% executive and senior management positions filled by host country nationals. This will be checked through the vendor on-boarding and due diligence information we obtain during the vendor vetting process.

As all mines eventually close, part of our approach to local suppliers includes working with them to target non-mine contracts. This helps reduce dependency on the mine and prepares communities for mine closure.



EGTF, the Malian construction company, loading topsoil at the Viper Satellite pit near Morila.



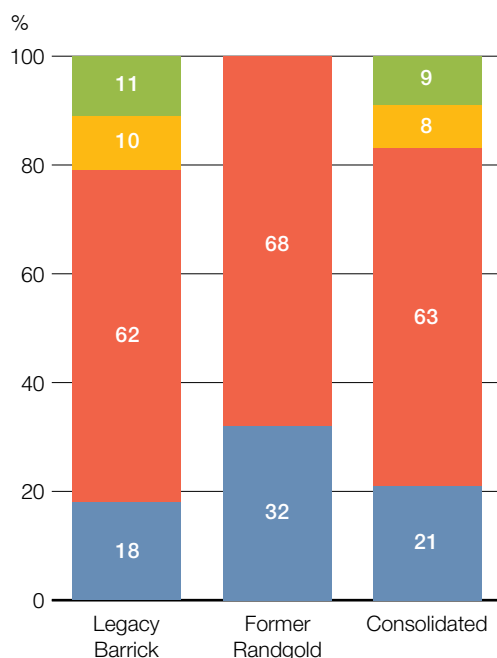
## GROWING LOCAL BUSINESSES

One example of local company development is Group EGTF who has worked with former Randgold for more than 20 years. EGTF's founder Diakaridia Traore first began working with Randgold as a laborer, before helping with the construction of Morila, Loulo, Tongon and Gounkoto mines. At each project EGTF staff received training and took on additional responsibility. Group EGTF is now regarded as Mali's leading construction company for the mining industry and has completed large construction projects for the Governments of Mali and Niger with revenues of more than \$15 million.

### 2018 Performance

In 2018, total combined purchases of goods and services across both legacy Companies were more than \$5.96 billion, of which \$4.7 billion was from host country suppliers.

FIGURE 10: PURCHASES FROM LOCAL, REGIONAL, NATIONAL AND INTERNATIONAL SUPPLIERS<sup>1</sup>



Barrick prioritizes local procurement.

	Legacy Barrick	Former Randgold	Consolidated
From local suppliers	11%	No data available	9%
From regional suppliers	10% <sup>2</sup>	No data available	8%
From host country suppliers	62% <sup>3</sup>	68%	63%
International purchases	18%	32%	21%

<sup>1</sup> Totals may not sum to 100% due to rounding.

<sup>2</sup> Excluding local purchases.

<sup>3</sup> Excluding regional and local purchases.





**CASE STUDY**

## HELPING BENEFITS FLOW TO LOCAL SUPPLIERS LIKE ESMIMSA AND IOB

Both legacy Barrick and former Randgold sites were committed to upskilling and building the capacity of local suppliers. We are passionate about building on this tradition.

For example in rural Peru, where we operate the Lagunas Norte and Pierina mines, we contracted a local training organization, APRENDA, to create tailored skills provision for our suppliers. This focuses on those struggling with key business skills such as administration, management, finances or certification requirements. The objective of the training was to help local suppliers develop their skill sets and business capabilities, to allow them to win additional contracts beyond the mine and reduce reliance on the mine.

One local contractor who benefited from these training programs is Próspero Zarzosa, the General Manager of ESMIMSA, an eight-person water system repair and maintenance company. Based in Peru's Ancash region near our Pierina mine, ESMIMSA has provided services to Pierina for over four years.

"To help us bid for contracts, Barrick supported my training through workshops, and that has been a great benefit to us," Zarzosa says. "Initially we only planned to look for contracts with Barrick but through the training we gained the confidence to look for other work too. Now we also work with another big company installing and maintaining spray systems in Ancash, and we have also been brought in as a subcontractor to a mining service company to help with the construction of local public infrastructure."

Similarly, across Africa the former Randgold supply chain team has worked to build capacity with local suppliers including Inter Oriental Builders (IOB).

IOB is a Congolese business that has used the opportunities provided by our Kibali mine to rapidly grow its business and capabilities. IOB initially began working with Kibali during the construction phase building houses and schools, supplying concrete for mine construction and building the large catholic church. More recently IOB was one of three lead local contractors for the construction of the 10MW Azambi hydrostation. Azambi is the third hydrostation the former Randgold built at Kibali, and notably the entire project was completed using only local contractors.

The support Randgold provided to IOB included funding a university masters in Engineering for Capital Projects in Johannesburg for a key consultant and training for all IOB Shutter Hands specific to the requirements of the project.

IOB is now a thriving business with many other customers across the region and with several contracts nationally and internationally, including Canadian gold mining firm Banro Corporation.

*ESMIMSA has provided services to Pierina for over four years.*



*John Steele, Feni Matsando Samuel of IOB, the fully Congolese contractor that built Azambi, and Mark Bristow.*





“ We have a good relationship with Loulo. They always make sure we know what is happening at the mine, and talk to us about what they are planning. They spend time listening to and trying to understand any concerns we have. Sometimes we disagree but we know we can always talk to the management and to Mark about our issues and they will work with us to find solutions and agreement. ”

*Fatamba Sissoko,  
Mayor of Sitakilly Commune, Mali*

## COMMUNITY ENGAGEMENT



Communities expect and deserve the opportunity to have a voice in decisions that affect them. Effective, two-way engagement mechanisms enable local communities to have meaningful and timely information about our operations, and access to Company officials who will listen to and act on community concerns. Effective engagement also provides a forum for the resolution of community grievances or to discuss risks and opportunities derived from our mines in a fair and open manner. This is essential to developing and maintaining our license to operate.

Mark Bristow is warmly received by Porgera's community in Papua New Guinea.



“ They are always with you when you need it. Most of the time you don’t even have to call because they are always there at your door. ”

*Margarita Rosario, Community member of El Nuevo Llagal, near Pueblo Viejo, Dominican Republic*

## Management approach

We believe community engagement is most effective when managed and delivered at the local level. Our recently updated Social Performance Policy defines Group values and objectives specific to community relations and community development. It is premised on the conviction that mining can be a positive force for social and economic development, and that we as a Company are accountable for our actions. Each mine is responsible for developing context-specific engagement plans to translate the policy to its local context.

As part of this, all Barrick’s local community engagement activities include:

- **Annual risk, impact, and opportunity assessments** so that site management has adequate information to design and implement strategic actions that contribute to a stable operating environment. This enables planned, proactive and cost-effective mitigation of site impacts and risks, while also identifying opportunities with host communities to realize mutual benefit. These assessments are complemented by environmental and social impact assessments conducted on any relevant mine project (as informed by the IFC Performance Standards) and by ongoing environmental monitoring of all our sites.
- **Dedicated resources** for day-to-day implementation of community engagement. These resources range from a single officer at some smaller sites to the 140 person community team required to manage the challenging and extremely diverse communities at Porgera in Papua New Guinea.
- **Annual stakeholder engagement plans** which map local stakeholders, including vulnerable groups. Our sites aim to consult and inform local stakeholders in a timely manner about activities and operational matters that impact them. Engagement takes place via formal mechanisms (such as dialogue tables) and informally (such as ad hoc meetings at community events).
- **Local community development programs** driven by site Community Development Committees (CDCs) and active community involvement where communities are empowered to lead development. We have committed to establish CDC forums, which enable elected local representatives to be responsible for Barrick’s development budget allocations, at sites where equivalent forums do not already exist by 2020.
- **Grievance mechanisms** to enable communities to formally lodge grievances should they feel they have been treated in an unfair manner or if they have been negatively impacted by the mine’s activities. Having an effective grievance mechanism is also a requirement of the IFC Performance Standards and part of our commitment to respect human rights under the UN Guiding Principles on Business and Human Rights. Our grievance mechanism is approved by the mine’s General Manager and we aim to widely publicize it. For example, we may use local radio stations, posters, social media or notice boards to explain how to register a grievance.
- **Monitoring and reporting** of performance to internal and external stakeholders. Internal communication channels in which community engagement is regularly discussed include daily briefings on site with department heads, weekly calls with regional leads and the Group Sustainability Executive, weekly ExCo meetings and quarterly E&S Oversight Committee meetings. We report back to external stakeholders in channels ranging from informal meetings to this annual Sustainability Report. At the Group level, we monitor and analyze grievances, and our responses, for recurring themes or issues. Grievances are reported as a standing agenda item at the quarterly E&S Oversight Committee.

## ENGAGEMENT TO DRIVE DEVELOPMENT

Our aim is for engagement to drive locally-led community development. A good example was our response to concerns raised by local communities in Eureka County, Nevada, that they needed to drive for two hours to access pharmaceuticals. In response, our community relations team partnered with the local economic development agency to purchase an old, closed-down bank building and rehabilitate it into a multi-use complex, including a pharmacy. The complex opened in 2018, vastly improving local healthcare access.



### 2018 Performance

All mines (100%) of both legacy Companies implemented local community engagement programs in 2018 and had grievance mechanisms in place. We now have a target to respond to all grievances within 30 days and to resolve 100% of grievances received through our mechanism each year.

The types and number of grievances varied significantly, depending on the site, the mine status, the level of development in the region and the historic relationships between the mine site and its local communities. At the majority of sites, across both legacy Companies, the largest number of grievances related to resettlement or land compensation procedures, payment or contracting issues and employee or contractor behavior.

At legacy Barrick sites, approximately three-quarters of grievances received and outstanding at the end of the year related to the Porgera mine. Many of these related to the Yarik Portal Sinkhole, where continuous rain in the area led to a sinkhole forming from the mine's underground drainage portal. This required remedial works which disrupted normal operations and affected transport routes and supplies to local communities. This event created a backlog of grievances. The mine has since added additional personnel to manage this and improvements are expected during 2019.

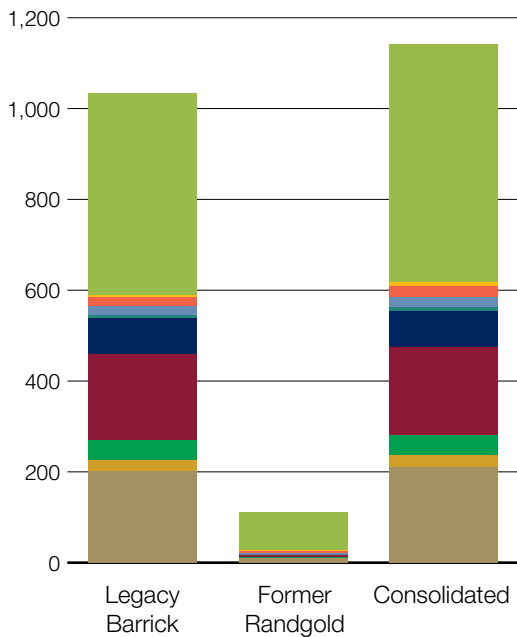
Of the 110 grievances registered at the five former Randgold sites in 2018, 97% were registered at Kibali. Most of these were linked to the Gorumbwa resettlement, as formal compensation claims that are part of a Resettlement Action Plan are made through the grievance mechanism. (Also see the Resettlement section of this report).

FIGURE 11: NUMBER OF GRIEVANCES RECEIVED

	Legacy Barrick	Former Randgold	Consolidated
Grievances carried over into the year	89	0	89
New grievances received in the year	1,033	110	1,143
Grievances closed in the year	744	110	854
Outstanding grievances at the end of the year	378	0	378



FIGURE 12: NUMBER OF GRIEVANCES RECEIVED



	Legacy Barrick	Former Randgold	Consolidated
Resettlement and land compensation	444	82	526
Land access or encroachment	4	3	7
Unmet obligations	20	4	24
Property damage	20	4	24
Road issues	7	0	7
Behavior (employee, contractor or security)	80	1	81
Payment or contracting issues	188	5	193
Local employment	43	1	44
Environmental	26	0	26
Other	201	10	211
<b>Total</b>	<b>1,033</b>	<b>110</b>	<b>1,143</b>

“ The award for ‘Best partner company of the year’ is a demonstration of the many years of leadership Barrick has shown in the field of engagement and community investment with tribes in Nevada. ”

*Nevada Indian Commission Executive Director,  
Sherry Rupert*



## OUR ONGOING PARTNERSHIP WITH THE WESTERN SHOSHONE COMMUNITY

Much of the mining activity at our Nevada mines in the US takes place on the traditional lands of the Western Shoshone. Our CEO Mark Bristow and senior management attended a banquet with Western Shoshone leaders in early 2019. This opportunity to both introduce himself and to start to get to know the tribal leadership is important in engaging with Native American communities. This was the most recent in what has been a long-running extensive engagement process with eight Western Shoshone partner communities over the past 10 years.

As with all relationships, ongoing dialogue is key to maintaining open communication and deepening understanding. Some of the ways we engage include:

- **Formal mechanisms** such as a Quarterly Dialogue, discussions with the Elders Circle and via the Western Shoshone Scholarship Foundation and Western Shoshone Cultural Advisory Group.
- **Informal mechanisms** such as everyday time in the communities and local events such as Fandangos, Earth Day celebrations, Wellness Fairs and rodeos.

When our Shoshone partners explained years ago that education and employment were among their highest priorities, we were listening. When they said cultural and language preservation was equally critical, we heard that too. The result has been a corporate social responsibility program intensely focused on these priorities.

Some of the achievements of our partnerships include:

- **Education:** We have invested \$3.7 million since 2008 in the Western Shoshone Scholarship Fund, which provides funding for post-secondary education and has supported over 1,600 students to pursue their professional goals through attaining higher education.
- **Employment:** Supporting thriving communities in the places where we operate is a key objective of Barrick's Community Affairs strategy. This includes cultivating skilled and work-ready educators, health care providers, regulators and miners. Since 2013 our Company has provided over \$500,000 per year to support youth employment. In the summer of 2018, for example, our Summer Youth Employment Program provided 136 Western Shoshone students between the ages of 14-18 with jobs in their communities to develop soft skills key for success in education and employment.
- **Cultural activities:** Preservation of cultural heritage is among the highest priorities for the Western Shoshone. Identifying meaningful partnerships to support cultural heritage and language preservation is also significant for Barrick. In July 2018, for example, we sponsored a two-day annual career and cultural fair for the youth from the eight Western Shoshone partner tribes where they were exposed to long-held Western Shoshone traditions like hand games, tribal songs and dance and storytelling.
- **Language preservation:** In the past decade, more than 100 students have participated in the Barrick-funded Shoshone language and cultural program. We also support a language program in three communities and at Great Basin College. Barrick has also supported the establishment of the Great Basin Indian Archives where it is hoped recordings of stories and songs can be accessible for generations to come.



One highlight of 2018 for our Company was receiving the 'Best partner company of the year' award by the Nevada Indian Commission.



“ Our investments in community development are helping towns like Kounda and Mahinamine to flourish. The community takes a lead in defining the support they most require and it is a real partnership effort to deliver the plan. We are seeing and feeling the impact in areas such as educational standards, access to finance and agricultural growth. ”

*Dominique Diarra, Community Development Superintendent,  
Loulo-Goukoto*

## COMMUNITY DEVELOPMENT



One of Barrick's first priorities following its merger with Randgold was to establish an overarching Sustainable Development Policy describing our commitment to catalyzing socio-economic development for local communities. By investing in development projects for our host communities we help build the strong local partnerships that underpin our business success.

### Management approach

We believe that the people who are best equipped to shape community development are the local community themselves. Going forward, Barrick is adopting Randgold's pioneering use of elected Community Development Committees (CDCs) at our mine sites that lack forums for the community to lead development. CDCs consist of local leaders, including women and youth group representatives, who are responsible for the allocation of a site's community investment budget. The communities themselves know their areas of greatest need and the solutions that are most viable.

Community gardens at Porgera in Papua New Guinea.



*An agricollege has been established in Mali to ensure a vibrant agribusiness remains once Barrick's Malian mines close.*



While locally directed, the CDC model is underpinned by several core principles that apply across the group:

- Community development budgets are based on community priorities rather than, for example, the production levels of a mine.
- Allocations should fall within five broad sustainable development categories: Education, health, food, water and local economic development.
- Projects should be sustainable over the long-term. We encourage all partners to put plans in place to become independent of any mine funding, and to deliver social, economic or environmental benefits for communities long after our mines have closed.
- Projects should benefit our business where appropriate. For example, in North America investments to fund sports, broadband and high-quality educational infrastructure in rural areas aim to not only enhance the community, but also help our mines attract the best and brightest talent to these areas.
- To seek out partnership opportunities. Where possible we aim to pro-actively seek out potential partners from the public or private sector to be part of development projects. This can facilitate further investment, scale projects and multiply impacts. Where formal partnerships are formed, there must be clear roles, resources and agreements in place and it must comply with Barrick's Code of Conduct and our Anti-Corruption Policy.

In 2019, we will be establishing CDCs at all legacy Barrick sites. At present CDCs are established at four of our 16 operational sites (the former Randgold sites of Kibali, Loulo-Goukoto, Tongon and Morila).





# THE COMMUNITY DEVELOPMENT MODEL

With more than 20 years of operations in emerging Africa, former Randgold demonstrated excellence in all aspects of its business, including community development. Former Randgold pioneered an innovative model to drive sustainable development outcomes through rigorous engagement and community input to harness the transformative economic opportunities that came with hosting Randgold mines through CDCs.

## How does it work?

At the pre-construction or construction stage in our projects we ask the communities to select representatives for a local Community Liaison Committee (CLC). A public participation process is launched and the CLC members are selected. These CLC members are then taken on a visit to an operating mine, so they get a deep understanding of our proposed project. The CLC assists us with local recruitment of construction employees, our communications and other actions around our projects.

When the project becomes operational an election is held and the CLC, changes its name to the CDC and focus on community economic development by harnessing the opportunities offered by the mine. Members of a CDC include heads of local Government authority, village-level traditional leaders and representatives from majority, minority or vulnerable groups such as women or youth spokespeople. Company representatives from Barrick sit in meetings in an advisory role.

The mandate of the CDC is to prioritize community development projects and decide how its own budget will be spent. CDCs are free to allocate as they see fit, although projects must fit within five broad long-term sustainable development criteria: Education, health, food, water and local (non-mining) economic development. This 'sustainable development filter' helps align all projects with national and international guidelines and our own corporate policies.

## CDCs in action

An example of a successful implementation of the CDC model can be found at our Loulo mine in Mali. In the last three years alone the CDC has allocated over \$2.9 million to projects including the construction of new schools, health centers and water access points at surrounding villages. It has also funded town planning studies and the provision of grinding mills for community women to help them establish businesses.

Perhaps most notably, it is working in partnership with other agencies to invest in a cutting edge agri-college with incubator farms to lay the foundation for a thriving post-mine economy.

Mark Bristow at a mass community gathering at Loulo-Gouunkoto.



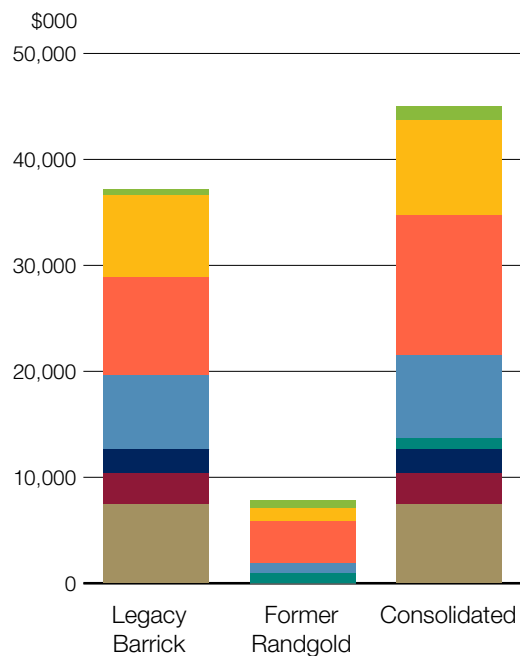


“ Pueblo Viejo gives you access to resources so that communities can reach development on their own. They have technicians that do surveys, we speak to them and gain valuable knowledge in agriculture. ”

*Pedro Ferreira, Farmers Association of Zambrana-Chacuey, near Pueblo Viejo*

## 2018 Performance

FIGURE 13: BREAKDOWN OF COMMUNITY DEVELOPMENT INVESTMENT SPEND



\$000	Legacy Barrick	Former Randgold	Combined
Health	568	770	1,338
Education	7,706	1,181	8,887
Economic development and infrastructure	9,233	4,027	13,260
Water and community utilities	6,985	885	7,871
Food security	Not applicable	954	954
Community-based environment projects	2,328	Not applicable	2,328
Community engagement	2,884	Not applicable	2,884
Other (including arts, culture)	7,454	0	7,454
<b>Total</b>	<b>37,158</b>	<b>7,818</b>	<b>44,976</b>

Some totals may not sum due to rounding.



## COMMUNITY WATER MANAGEMENT ACROSS OUR GLOBAL REGIONS

From Africa to America, water is one of the most important elements of any partnership between a mine and its host communities. These three short case studies illustrate our Company mindset of finding sustainable solutions to community water needs.

### Africa and Middle East: Upgrading the water system at Tongon, Côte d'Ivoire

Many of the water pumps in the area around our Tongon mine were damaged or destroyed during the 2002 civil war. As a result, access to safe water has been one of the highest priorities for the communities closest to our mine in Northern Côte d'Ivoire.

Each village has a water management committee, facilitated by former Randgold, to oversee and manage the running and maintenance of each system and our Tongon mine has worked with these stakeholders to rehabilitate water pumps, drill boreholes and build water towers.

In 2016, the mine entered a public-private partnership with the Ivorian Government to further upgrade the water system for Tongon village. This will result in a water system that meets the requirement of SODECI – Côte d'Ivoire's water distribution agency. It will also mean water can be provided directly into people's homes rather than to community fountains.

Under the terms of the agreement, we are responsible for the construction of the water tower, the drilling of boreholes and the associated equipment and the Ivorian Government is responsible for the improvement and expansion of the water pipeline. To date, the construction of the water tower and the drilling of the boreholes have been completed. The community is now waiting on a Government agency to begin work to improve and expand the pipe network. Similar steps have been taken at nearby Pongbe with the hope of establishing a similar public-private partnership there.



### Latin American and Pacific: Water access for Las Achiras, Peru

In 2018, Barrick delivered a potable water system to 52 families in Las Achiras, a host community of the Lagunas Norte mine in Peru. Barrick took a lead in constructing catchments, distribution network installations and a chlorination system.

This system will give the community drinking water access 24 hours a day. As well as providing water for human consumption, the new system aims to improve local sanitation conditions and help prevent water-borne diseases especially among children and the elderly.

The project was a partnership between Barrick, the families in Las Achiras sector of the Chuyugual Community and their authorities.



## North America: Restoring Willow Creek, USA

The Willow Creek reservoir in Nevada, owned by our Goldstrike property, was built in the 1920s but drained in December 2017. Since then, Barrick has invested \$1.7 million and 20,000 working hours to put the man-made lake back into public use.

Barrick volunteers also partnered with Nevada Bighorns Unlimited, a local sportsmen's group helping to facilitate the restocking of the fish habitats of the reservoir.

The public have now been given access to the reservoir and Barrick and the Nevada Department of Wildlife have formed a partnership to manage the maintenance of the reservoir and the restoration of fish stocks and habitats.

*Restocking fish with the help of local sporting groups.*





**FIGURE 14: SNAPSHOT OF COMMUNITY INVESTMENTS**

Theme	Legacy Barrick	Former Randgold
Education	Provision of <b>1,600</b> scholarships to local community members. Investments in academic infrastructure including a new Medical and Science building in Winnemucca near Turquoise Ridge. In Elko County School District in Nevada, we helped build a consortium of seven companies to fund a three-year program to build STEM (science, technology, engineering and maths) infrastructure.	More than <b>\$1.1 million</b> in education projects including the construction of a nursery school in Côte d'Ivoire, teacher training in the DRC and the building of three new schools in villages in Mali.
Local economic development	More than <b>500</b> community members trained in Peru and the Dominican Republic. Skills included textile manufacturing, cocoa manufacturing, driving, first aid, accountancy, plumbing, entrepreneurship and business planning, industrial mechanics and agro-industry. <b>Almost half (228)</b> of those receiving training were women.	Support for community training programs in areas such as construction painting, agro-processing, sewing and cooking, provision of grinding mills for community business women in Mali and town planning studies for the villages of Djidjan Kenieba (DK) and Koundan in Mali.
Water	Improving water facilities including the restoration of dams and reservoirs such as Willow Creek in the US. Since December 2017 Barrick has invested <b>\$1.7 million</b> and <b>20,000</b> working hours to put Willow Creek back to use for the local community.	Over <b>\$885,000</b> to improve access to drinking water including the drilling of boreholes, installation of water points and support for a new urban water supply system for the <b>4,000</b> residents of Tongon village in Côte d'Ivoire
Food	Support for local agriculture projects including community irrigation systems at Pierina and the provision of greenhouses for the Iglesia and Jachal communities in Argentina. At Lagunas Norte, we launched Project Sierra Productiva to develop three agricultural projects and benefit <b>75</b> local families.	Over <b>\$950,000</b> in community agriculture projects including construction of a beef farm at Sekonkaha in Côte d'Ivoire, a new intake of students at the Randgold-established agricollège in Mali and in DRC, support for widowed women in Watsa to establish pineapple plantations and build future incomes.

The 'One Laptop One Child' campaign is an initiative by Pueblo Viejo to enhance education in the area.





## ARTISANAL AND SMALL-SCALE MINING

Artisanal and small-scale mining (ASM) can be an important source of economic activity for local communities. However, when ASM occurs on land within mining permits that belong to companies it is illegal. ASM is also linked to environmental and social risks including child labor and water or land contamination through poor environmental and safety practices.

### Management approach

ASM activity is present near six of our sites: Lagunas Norte and Pierina (Peru), Loulo-Goukoto (Mali), Tongon (Côte d'Ivoire), Kibali (DRC) and Porgera (Papua New Guinea). As recommended by IFC guidelines our approach to instances of illegal ASM within our permits or near host communities is one of 'no conflicts and no invasions'. Instead we seek to work with local communities, NGOs and the Government to offer alternative livelihoods or to help ASM communities to legitimize their activity and make it safer, healthier and more profitable.

Wherever possible we do this through formal partnerships between host communities, NGOs and host Governments. For example, our Lagunas Norte mine in Peru entered a partnership agreement with the Peruvian Government and the ASM community that enables artisanal mining to take place legitimately. Through a Government-approved artisanal mining formalization process the mine helps the ASM community access credit and markets, along with providing for safer working conditions.

### 2018 Performance

At Kibali in DRC in 2016, former Randgold worked with the Congolese Government and specialist NGO PAX to set out an area of land adjacent to our permit - known as an ASM corridor - where the local ASM community is able to operate, and did so throughout 2018. Alongside the ASM corridor at Kibali we are also working with the local provincial Government and the German development finance organization GIZ to increase agriculture and agribusiness initiatives in the region and provide alternative livelihoods for the ASM community.

Similarly, at our Loulo-Goukoto complex in Mali, we have identified land within our permit for the creation of an ASM corridor and are currently awaiting further assistance from the Malian Government, so it can be transferred to the ASM community.

## RESETTLEMENT

The development or expansion of a mine sometimes necessitates the relocation or resettlement of communities or livelihoods. Community resettlement is one of the most sensitive activities a mining company can undertake, and if not well planned and carefully managed can lead to community discord and lasting damage to our license to operate.

### Management approach

Our policy is to work to avoid the need for resettlement. When resettlement cannot be avoided, our Community Relations teams work with affected households, communities and host Governments to manage resettlement in a manner consistent with local laws and international best practice, including the IFC Performance Standards.

Any resettlement undertaken requires a detailed Resettlement Action Plan (RAP). RAPs are developed with input from the affected communities and local authorities who are encouraged to express their opinions and any grievances at an early stage in the process to ensure they are fed into the RAP and its compensation process. RAPs include comprehensive compensation standards, livelihood development programs and ongoing monitoring and evaluation.



“ Deciding to move our home was not easy. But from the beginning the Kibali team spent time explaining the resettlement process to us, and making sure we knew all the options and how to raise any concerns or issues. Being able to choose to receive compensation was good, as it meant we could plan our house to be exactly what we wanted. ”

*Marie Zamba Kamesa,  
a resettled person at Gorumbwa, DRC*

When resettlement takes place, we commit to improve or, at least, restore the livelihoods and living standards of the affected households and communities. As part of the RAP we also aim to maintain any community structures wherever possible, respect sites of cultural and religious significance and have independent third parties monitor its implementation.

*A resettled family at the new Kokiza village near Kibali in the DRC.*



## 2018 Performance

No new resettlement programs were started in 2018, and our resettlement focused on the completion or progression of existing RAPs. In total, 986 households were resettled in 2018.

All these households were resettled at our Kibali mine in the DRC, where we completed the relocation of a total of 1,500 households from Gorumbwa to the village of Kokiza. The Gorumbwa RAP began in 2017 and cost a total of \$29 million. As part of the RAP, all affected households were given the choice of a new home built by the mine and cash compensation for any lost crops, or a cash settlement to build their own home. In line with IFC Performance Standards, all relocated people also received training in areas such as house construction, financial management, human and civil rights, agriculture and livestock management, environmental training and waste management.

At our Porgera mine in Papua New Guinea, we continued discussions with communities and officials regarding the resettlement of the Pakien and Panandaka Ridge communities. No RAP has yet been drawn up and as part of addressing social concerns we conducted a Resettlement Human Rights Impact Assessment in 2018 to inform the process.

**“ The mine feels like a place to learn as well as a place of work. We want workers to feel invited to challenge themselves by learning new skills or by taking their management abilities to the next level. The message from the top is clear: Our workforce is our most important asset and we want to ensure you are highly skilled and well-trained. ”**

***Fatima Amaya,  
Talent Management Business Partner, Nevada***

## TRAINING OUR TALENT

Our people are our most important asset, and it is essential to our long-term success that they are highly skilled. To meet our operational goals we constantly invest in training to develop and enhance the knowledge and abilities of our workforce.

### Management approach

We encourage a culture of continuous learning throughout our expanded Group and, due to the geographic and cultural diversity of our workforce, use a blend of global, country-based and site-based policies and programs to manage our training requirements.





Core elements of our talent management approach include:

- **A country-based approach to training, compensation and benefits and employee relations.** This allows us to address the unique labor markets and social conditions in the various countries where we operate.
- **Providing training in both technical and behavioral needs.** Technical training enables proficiency in the equipment and disciplines that must be mastered across our global portfolio of mines. Behavioral training provides leadership and management skills at all levels. Part of our behavioral training provision includes scholarships to universities such as Harvard and the University of Cape Town for management and leadership development courses.
- **Merging together the best expertise from both legacy Companies.** For example, our CFO Development Program has been expanded to now offer former Randgold's 'Finance for Non-Financial Managers' course and 'Finance for Business Leaders'. This is creating a homogenized and best-in-class approach to help our people integrate financial and business needs into their everyday thinking.
- **Using informal training** such as shadowing and mentorship, as an integral part of the learning culture.

## 2018 Performance

Both legacy Barrick and former Randgold sites placed considerable time and financial investment in staff development during 2018. Taken together, the two Companies provided an average of 40 hours of training to each full-time employee (FTE) in 2018 and invested over \$32 million, or approximately \$1,600 per FTE, in formal staff training. This represents 45 hours per FTE at legacy Barrick sites, and approximately 23 average hours per FTE at former Randgold sites.

This total does not include the number of informal training hours, such as on the job mentoring and skills shadowing that each employee receives every year and which are often a key part of skills development.

*Graduation ceremony for Pueblo Viejo's employees who undertook vocational and technical training.*





## COMPASS: PROVIDING DIRECTION AND DEVELOPMENT FOR NEW TALENT

Investing in our employees helps our people feel engaged, valued and motivated to help us deliver on our strategic priorities. It also prepares our next generation of leaders and is a crucial part of our succession planning.

One example of the employee training we provide is the Compass Development Program (Compass) which has been employed at legacy Barrick sites since 2009. Compass is a company-wide professional development initiative for employees with less than three years' industry experience. The program provides participants with the opportunity to build a solid foundation of technical and professional knowledge while also working and shadowing others on the mine site and advancing their careers. Specifically, Compass teaches participants about cross-functional areas such as exploration, mine geology, metallurgy, mining, processing and health and safety.

Compass is a self-driven program and takes approximately two to three years to complete. Through structured on-the-job learning and mentoring, participants learn the key skills necessary to successfully perform their roles. They also learn how an expert in their field makes decisions, tackles challenges and capitalizes on opportunities.

In 2018, six of our employees graduated from the program to bring its total graduates since 2009 to 173. This includes many superintendents in our Nevada engineering departments and the Acting Mine Manager at Turquoise Ridge (at the time of writing).



“ Aside from individual development, Compass is designed to integrate new professionals into all aspects of operations and teach them how each part is dependent on the other. This knowledge, paired with key networking opportunities, provide early-career professionals a great start to a career in Barrick. ”

*Dan Hain,  
Talent Management Manager for Barrick Nevada*



## CLOSURE

How we close our mines is just as important as how we build and operate them. Mine closure, if poorly managed and executed, can result in unproductive land, permanent damage to the natural environment and financial liabilities for our Company. But, when done well, we leave a positive sustainable legacy for communities.

### Management approach

How we manage both the environmental and social aspects of closure is set out in our revised Closure Standard. The Standard commits us to leave all sites with land that supports productive post-mining use including revegetating disturbed areas with indigenous species and transferring infrastructure that can be meaningfully used to local communities. We have a clear aim: To maximize the value of the asset for the local community.

Key elements of our closure approach include:

- **We establish a closure plan before construction of a mine even begins.** This is regularly updated and ensures enough financial resources are available to meet closure obligations.
- **We invest in non-mining related economic activity and training** to support alternative livelihoods throughout the life of a mine. This includes support for local companies through 'local first' procurement, investment in long-term economic development projects through our community development work and, where appropriate, working with regional and Government economic development committees to help suppliers diversify.
- **We provide our people with assistance during closure** to identify new potential career opportunities. Where possible, our goal is to offer continuing employment opportunities at other Barrick operations. We also offer out-placement services for people who are unable to relocate.
- **We restore biodiversity and healthy ecosystems** at the earliest stage possible and aim to keep our overall mine footprint to a minimum. This is done through ongoing concurrent rehabilitation and the treatment of all disturbed lands at closure. Comprehensive environment-related actions at closure include checking the stability of all land, the re-vegetation of waste rock, heap leach and tailings facilities and monitoring or restoring the health of soils and natural capital.
- **We protect water resources at closure**, including treating any mine-impacted waters as appropriate and creating ongoing monitoring programs to test water quality and hydrology post-closure. This is undertaken in close consultation with regulators and stakeholders.

*Sage brush planting in support of conserving Nevada's iconic Sage-Grouse.*





Honey production is one of several projects growing at our Pueblo Viejo site for when the mine eventually closes.



## Care and maintenance of closed sites

We have a total of 29 sites<sup>1</sup> in our closure portfolio, the vast majority of which are in the US. These sites support post mine use ranging from grazing land to an underground science laboratory at Homestake in South Dakota.

We take responsibility for the care and maintenance of these sites following guidance set out in our Mine Closure Standard. As part of this approach, we monitor physical and environmental aspects at all sites, including water quality and the geochemistry of the area. We also monitor emerging regulation regarding closed sites and upgrade facilities such as water treatment plants, as new legislation requires.

When required, such as when monitoring picks up significant changes in the predicted hydrogeology or geochemistry, we intervene. In 2018, for example, we completed an \$18 million remediation project to improve water management and geotechnical stability of the tailings storage facility at the former Giant Nickel mine in Canada – which was closed in the 1970s. The remediation project was safely and successfully executed over an 18-month period and relied almost exclusively on local resources to complete. Over the course of the project Barrick contributed approximately CA\$10 million to the nearby town of Hope, British Columbia, provided dozens of jobs for local First Nations and community members and facilitated significant enhancement of skills for project staff.

*Planned post-mining activities at Barrick sites include grazing land.*



<sup>1</sup> This figure does not include the Golden Sunlight and Pierina mines. Pierina is currently in closure and mining has ceased at Golden Sunlight. Future alternatives for the Golden Sunlight site are currently being evaluated.



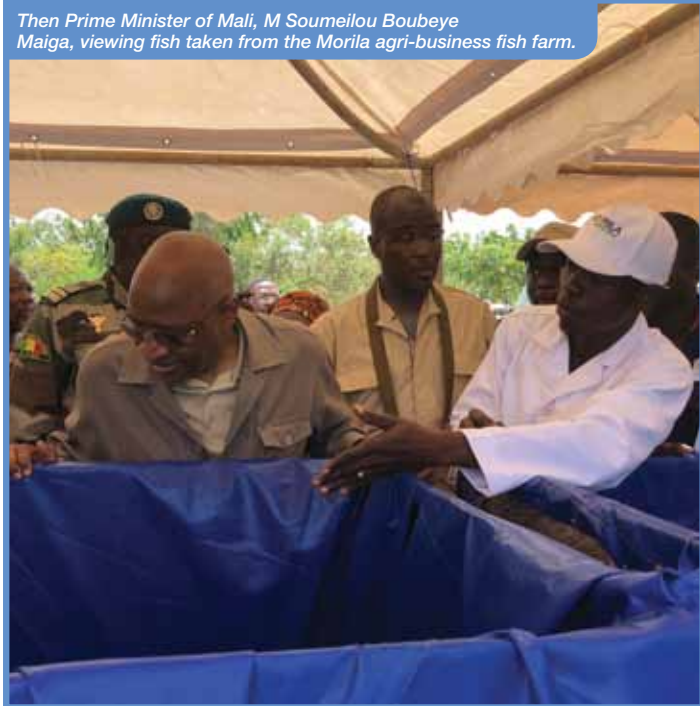
## 2018 Performance

All our operating sites had closure plans in place in 2018. A number of operations are either in closure or are approaching their date of closure.

In Mali, our Morila mine is scheduled to close in 2020. Following many years of investment to develop agribusiness by former Randgold, Morila is well into its transition into an agri-industrial zone. Morila now has a thriving poultry business running on site. Fish farms developed by the mine can be found on site and in the surrounding community. Members from Songhai, one of the most successful agribusiness initiatives in Africa, are active on site and provide invaluable advice to all parts of the project.

The Morila agri-business project was presented to the Malian Prime Minister of the time and several Government ministers in a formal ceremony in October 2018. The event gained significant coverage in Malian national news and feedback from the former Prime Minister and other officials was positive with Morila’s plans receiving formal approval from the Government.

In Peru, our Pierina mine is now in progressive closure. As part of its closure plans the site has worked on various initiatives to foster non-mining economic opportunity in the area. These include funding training in areas such as production, marketing, commercial communications, tenders and commercial tools for local companies that supplied the mine. In Q1 2019, it was announced that mining has ceased at our Golden Sunlight mine, future alternatives for the site are currently being evaluated.



**“ This will be a great closure model for the mining industry. It turns a process which is seen as destructive for the environment, into a new hope for economic development at closure for communities. ”**


*M Soumeilou Boubeye Maiga, Former Prime Minister of Mali on the closure of our Morila mine*



FIGURE 15: MORILA'S AGRIBUSINESS PLAN POST CLOSURE



## TARGETS FOR 2019 AND BEYOND



**80%** of senior site management to be host country nationals by end 2019

Respond to all grievances within 30 days and **resolve 100% of grievances** through our mechanism each year



↑ The proportion of goods and services bought from **businesses local to the mine** year-on-year. Set Group targets for local procurement

Establish **Community Development Committees** at those sites that do not have formal forums for community development by end 2020

INTEGRATING THE SUSTAINABLE DEVELOPMENT GOALS

	<p><b>2</b> ZERO HUNGER</p> 	<p><b>4</b> QUALITY EDUCATION</p> 	<p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p> 	<p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 
<p><b>Overview contributions</b></p>	<ul style="list-style-type: none"> <li>More than <b>\$950,000</b> in community agriculture projects spent by former Randgold alone.</li> </ul>	<ul style="list-style-type: none"> <li>Over <b>\$8.8 million</b> of combined investment in education-related community investments.</li> <li>Average provision of <b>40 hours</b> of training per full time employee.</li> </ul>	<ul style="list-style-type: none"> <li>Over <b>\$7.48 billion</b> of economic contributions to host economies. With <b>79%</b> of goods and services bought from host country suppliers.</li> </ul>	<ul style="list-style-type: none"> <li><b>Infrastructure</b> investments including upgrading and maintaining roads, installing hydropower plants and building community water systems.</li> </ul>
<p><b>Snapshot examples</b></p>	<ul style="list-style-type: none"> <li>Support for <b>commercially viable</b> agribusiness, incubation farms and an agri-college in Mali.</li> <li>Launch of <b>Project Sierra Productiva</b> to develop three agricultural projects and benefit 75 local families at Lagunas Norte.</li> </ul>	<ul style="list-style-type: none"> <li>Support for community literacy programs and vocational training in Peru and the Dominican Republic.</li> <li>We built classrooms for schools near our operations in <b>Mali, Zambia,</b> and community libraries in the <b>DRC.</b></li> </ul>	<ul style="list-style-type: none"> <li>Investments in fish farms, mango plantations and other agribusiness at <b>Morila in Mali, to help a post-mine economy</b> thrive.</li> <li>Around our Kibali mine we have built <b>three hydropower stations</b> that already contribute power to the area and will be integrated into regional and national grid when the mine closes.</li> </ul>	<ul style="list-style-type: none"> <li>In Nevada we helped build a consortium of seven companies to fund a <b>three-year program</b> to build STEM (science, technology, engineering and maths) infrastructure for the Elko County School District.</li> <li>We facilitate access to <b>microfinance</b> for local companies and contractors in many of the remote areas we operate.</li> </ul>

School class at a village near Tongon in Côte d'Ivoire.

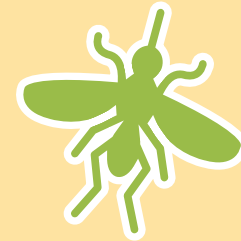


# 3 HEALTH AND SAFETY

Barrick's sustainability vision is to create long-term value for all our stakeholders. We contribute to the social and economic development of our host countries and communities. **We protect the safety and health of our workforce.** We respect human rights. And we manage our impacts on the natural environment, both today and with future generations in mind.



Lost Time Injury Frequency Rate  
**↓33%** for combined Companies<sup>1</sup>



Malaria incidence in our Africa and Middle East region for combined Companies<sup>1</sup>

**↓17%**

All operations to have **safety management systems** that are certified to **ISO 45001** by 2021



Total Recordable Injury Frequency Rate **↓14%** for combined Companies<sup>1</sup>



Dedicated onsite **emergency** response team at all operations

<sup>1</sup> 2018 compared to 2017.



Kibali underground rescue training.



Nothing is more important to us than the safety, health and well-being of our employees and contractors. This is at the forefront of our minds every day as mining has a wide and frequent range of safety risks to be managed with heavy machinery in operation, large volumes of material moved, loud noises, potential rock falls and hazardous chemicals. We are committed to working towards a zero-harm work environment with a safety culture based on personal responsibility and international best practice.

## SAFETY

MATERIALITY  
ASSESSMENT

---

PRIORITY

HIGH	✓
MED	■
LOW	■

Providing a safe and healthy workplace is the most fundamental obligation we have to our employees, to our contractors, to our suppliers and to everyone who visits one of our sites.

### Management approach

One of our first priorities following our merger with Randgold was to update our Occupational Health and Safety Policy. The refreshed policy commits us to provide the leadership and resources required for all our workers to go home safe and healthy every day. It sets clear expectations for all sites to establish and maintain an effective and widely communicated management system that mitigates safety risks and strives for continual improvement. It firmly sets out

our commitment to a safety culture that encourages people to proactively manage health and safety risks through education, instruction, information and supervision.



“ I appreciate the safety culture at Barrick. It has taught me to work with the highest safety standards inside and outside the Company. I have fostered safety with my family. I transmit everything I learn here and now my wife and my children also analyze risks and try to do things in the safest way possible. ”

*Emmanuel Reynaldo Acosta Guzmán,  
Infrastructure Technician, General Services, Pueblo Viejo*

In order to implement our corporate policy, Barrick has a Health and Safety Management System which assists the Company in managing risks, complying with legislation and voluntary commitments, conforming to Barrick standards and facilitating continual improvement. Site-specific procedures are also developed to address local requirements and the operational controls that must be followed. Each mine applies a systematic approach to identifying, monitoring and managing safety risk to make it is 'as low as reasonably practicable' (ALARP).

Safety and emergency response training at Pueblo Viejo.





## Integrated governance

Oversight of safety sits within our overall sustainability governance. This means it is not only integrated in our daily, weekly and monthly operational reporting but is discussed at an Executive level as well as a key agenda item at Board Meetings. Each site has a Health and Safety team that reports to the mine's General Manager, as well as indirectly to regional Health and Safety Managers.

Monitoring of mine-level safety performance flows upwards from our sites to Group-level management including our Sustainability Executive and the E&S Oversight Committee. Safety performance forms a key part of discussion and action at our weekly Executive Committee meetings. Information and instruction also flows down this governance chain. For example, the instigation of our Fatality Prevention Commitments (detailed below) this year was rolled down from executive leadership to sites.

We believe in aligning with internationally recognized management standards. Currently, two sites (Kibali and Loulo-Gouunkoto) are certified to the ISO 45001 standard, one of the most widely-respected international management standards for occupational health and safety. Morila and Tongon are certified to OSHAS 18001, a forerunner to the ISO 45001 standard.

We have set a target to certify all of our operational mines to ISO 45001 by 2021.

The compulsory use of Personal Protective Equipment helps mitigate risks.



## Fatality Prevention Commitments

Our renewed focus on safety and reaffirmed commitment to prevent fatalities has led to the Group-wide roll out of new written controls including our ten Fatality Prevention Commitments to help eliminate fatalities and serious injuries. Our 'Commitments and Unacceptable Behaviors' guideline has also been instigated, that reaffirms our zero tolerance of behavior such as working on site under the influence of drugs or alcohol. Both of these controls sought consultation from various levels of the organization with employee input helping shape the documents before they were distributed.

Morning sessions on safety take place every day.



FIGURE 16: OUR FATALITY PREVENTION COMMITMENTS





Barrick's Fatality Prevention Commitments provide the cultural foundation to achieve our Health and Safety vision of 'Everybody Going Home Safe and Healthy Every Day'. We believe that a proper understanding of workplace hazards and controls, combined with effective leadership to guide our decisions and actions creates the safest workplaces.

Our Fatality Prevention Commitments align with the ICMM Life Saving Controls, which are based upon lessons learned from fatal incidents within the mining industry - including Barrick's experience.

## Personal responsibility

Our employees and contractors are expected to understand and comply with workplace rules, regulations and procedures – these requirements are intrinsic to the Fatality Prevention Commitments. Each employee is responsible for their own safety and for ensuring the safety of their co-workers.

The responsibility and authorization to stop any unsafe work is that of every Barrick employee or contractor, so that we 'Do it safely or not at all'.

## SAFETY BEGINS WITH ME

An emphasis on personal responsibility, within a framework of internationally recognized management systems and standards, is at the heart of our safety culture at Barrick.

All workers are expected to take responsibility for the safety of themselves and their co-workers. Mechanisms such as our 'Stop Unsafe Work Authority' gives all workers the right to refuse unsafe work; all personnel are encouraged to do their part to address substandard acts and conditions in the workplace proactively.

This is reinforced by the principles of Courageous Safety Leadership, which have been in place across the legacy Barrick sites for several years. Courageous Safety Leadership provides 'top down' management commitment to safety by training and empowering people at all levels of the organization to speak up and take action to improve workplace safety.

One example of our safety culture is the requirement for underground workers in North America to complete a hazard assessment card to identify and control potential hazards before starting work and throughout their shift to ensure the safety of entrances, travel ways, work areas and mining equipment. Supervisors review these cards with workers to verify the employee has the competency, support and motivation needed to work safely. This approach fully empowers our workforce to create and sustain safe working conditions throughout their entire shift.

# BARRICK

*La sécurité commence par moi*

*Lakana be fols ne yere la*

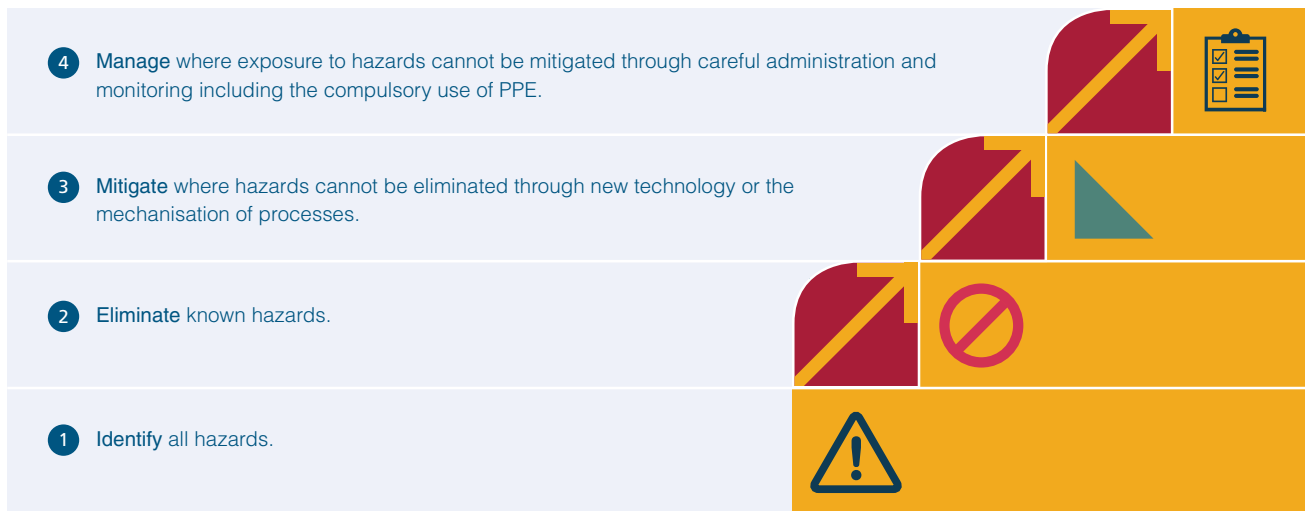
*Safety begins with me*



Une équipe, Une mission • Jekulu kelen hakilinan kelen • One team, One mission • Lisanga moko, Likanisi moko



FIGURE 17: RISK MITIGATION HIERARCHY APPLIED TO SAFETY



To deliver on our safety commitments we:

- **Apply a risk mitigation hierarchy** to eliminate known hazards and where hazards cannot be eliminated, act to mitigate and manage these hazards. We implement a hierarchy of practical controls from Personal Protective Equipment (PPE) to administrative, engineering, substitution and then elimination procedures.
- **Conduct mine-level risk assessments** to inform the safe execution of all mining activities and individual risk assessment prior to any worker or team undertaking potentially hazardous activity. These act alongside regular corporate assurance reviews to identify safety and occupational health hazards and confirm that effective controls are in place and monitored for continued improvement and effectiveness. Potentially hazardous tasks require risk assessments which ask each worker or team to consider the task ahead, to identify what could go wrong and how to manage that risk.
- **Regularly monitor and review our controls and procedures** including through audits, inspections and assurance reviews. This includes checking for a potential failure of controls so that additional or revised controls or activities can be put in place.
- **Provide regular safety training, based on a competency needs assessment** at each mine. The safety training provided ranges from compulsory safety training at induction for all workers and visitors, to specialized safety training for positions with a higher safety risk. Induction safety training includes instruction on worksite hazards and controls and informs personnel of our safety expectations including areas such as incident reporting.
- **Require contractors to meet site safety standards.** We assess contractor safety records and procedures, we monitor safety performance throughout the life of contracts and we provide coaching and support to continuously improve contractor safety performance.
- **Investigate all incidents to determine root causes and prevent repeat events**, as set out in our Health and Safety Incident Reporting and Investigation Standard. We cultivate an open atmosphere that encourages prompt and honest reporting of any notable incident or near miss, without fear of reprisal. We also share lessons learned across sites and analyze the nature, area and reoccurrence of injuries to constantly improve standards across the Group.
- **Translate all relevant safety literature into local languages** and deliver safety training and information in culturally appropriate ways. If required, mine safety teams brief illiterate employees on the meanings of written procedures and safety signage includes symbols, which can be an important consideration in some of the underdeveloped areas where we operate.

Our team continues to assess safety across a wide range of indicators with internal safety reporting metrics now aligned across the expanded Group. Part of our renewed commitment to safety has been to place a greater emphasis on leading indicators. These can serve as preventative warning systems, compared to lagging indicators (such as a lost time injuries) that record events. Leading indicators we have adopted are:

- **SLIs:** In safety, as in many fields, leadership is vital to unlocking people's potential to become better. That is why to inspire General Managers and other site leaders to continually step up safety performance we record the frequency with which they talk to workers about safety and our safety expectations. Each mine has been set a specific number of such 'Safety Leadership Interactions' (SLIs) which it must complete each quarter. We have adopted a corporate goal to complete all planned SLIs at Group level each year.
- **HPIs:** High potential incidents (HPIs) are those near-misses that had the potential of becoming a severe safety incident. All HPIs are investigated and appropriate corrective actions are implemented based on the findings of the investigation.

## Emergency preparedness



We maintain a robust level of emergency preparedness and have plans, resources and training in place to minimize the impact on workers, families, the community and operations should an emergency occur.

All our operations have a dedicated emergency response team onsite and each department has team members trained in first aid to provide care until the emergency response team arrives.

At sites with underground operations, we have specially trained underground rescue teams and all underground operations include refuge chambers where workers can seek shelter in the unlikely event of rock fall or cave in. We carry out mock drills and equipment testing for emergency situations regularly throughout the year and should an employee's reaction to a mock drill be sub-standard, then additional training work is carried out.

All emergency response plans and procedures are widely and regularly communicated throughout the local mine communities. This is part of our commitment to ICMM's Principle 4 which states that members should implement, develop, maintain and test effective emergency response procedures in collaboration with potentially affected parties.

Emergency Response Team (ERT) personnel in North America participate in competitions organized by provincial and state agencies to test the teams' knowledge, firefighting skills, first aid response, use of emergency equipment and decision-making ability under stress in a simulated underground emergency. These competitions ensure that mine rescue volunteers are trained to the same high standards and are fully capable of responding to all types of mine emergencies including fires, explosions and falls of ground. Our ERTs routinely place at the top of the competition including a recent first place achievement by the Hemlo team at the Algoma district competition in Ontario, Canada.

Emergency response drills are conducted regularly at all sites.



## 2018 Performance

Both legacy Barrick and former Randgold sites had a strong focus on health and safety. Neither Company had a fatality in 2018 and, in aggregate, the Companies achieved a 33% year-on-year decrease from 2017 in the LTIFR.

TRIFR across both legacy Companies combined decreased by 14% over 2018. This reflected a 9% decrease from the legacy Barrick sites which had a TRIFR of 1.62 in 2018; and a 16% decrease at former Randgold sites which recorded a TRIFR of 3.32 in 2018.

In 2018, across all sites more than 302,000 hours of health, safety, and emergency response training was provided to employees and more than 236,000 hours to contractors.

Former Randgold also worked with several local suppliers in 2018 to improve their safety standards. The work involved corrective action plans and developing safety reporting systems for the contractors and helped drive 24% and 6% drops in LTIFR and TRIFR year-on-year respectively. It also helped build their capacity for the future.

FIGURE 18: SAFETY STATISTICS (EMPLOYEES AND CONTRACTORS)<sup>1</sup>

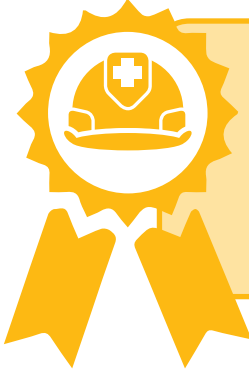
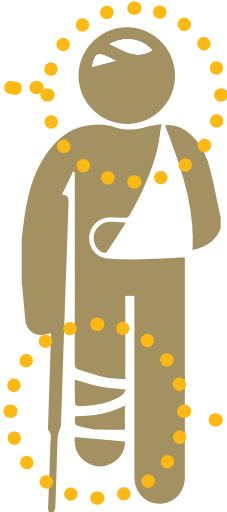
	Total fatalities	Total LTI	LTIFR (LTI per million hours worked)	Total recordable injuries	TRIFR (Total recordable injuries per million hours worked)
Operating sites					
<b>North America – operations</b>	0	13	1.08	51	4.25
Barrick Nevada – Cortez	0	6	1.52	15	3.80
Barrick Nevada – Goldstrike	0	3	0.63	16	3.34
Golden Sunlight	0	0	0.00	1	3.17
Hemlo	0	1	0.66	12	7.86
Turquoise Ridge	0	3	2.11	7	4.92
<b>LATAM and Asia-Pacific - operations</b>	0	15	0.41	41	1.11
Lagunas Norte	0	2	0.45	6	1.36
Pierina	0	0	0.00	2	0.85
Porgera	0	6	0.57	11	1.04
Pueblo Viejo	0	3	0.26	11	0.95
Veladero	0	4	0.50	11	1.38
<b>Africa and Middle East</b>	0	11	0.26	101	2.41
Jabal Sayid	0	0	0.00	0	0.00
Kibali	0	2	0.15	25	1.93
Loulo-Gounkoto	0	4	0.47	46	5.40
Lumwana	0	3	0.27	8	0.72
Morila	0	2	0.96	5	2.39
Tongon	0	0	0.00	17	3.81
Exploration	0	0	0.00	2	2.07
Closure sites	0	2	6.24	3	9.36
Projects	0	2	0.88	2	0.88
<b>2018 Total</b>	0	43	0.46	200	2.12
<b>2017 Total</b>	4	63	0.68	227	2.46

<sup>1</sup> Note that frequency rates are based on 1 million hours worked, a change from the methodology used in previous Barrick reports.



# TARGETS FOR 2019 AND BEYOND

Achieve a TRIFR<sup>1</sup> of **2.02** or lower  
**↓ 5%**



Certify all operational mines to **ISO 45001** Health and Safety standard by the end of 2021



Complete **100%** of planned 'Safety Leadership Interactions' at Group level



Achieve an LTIFR<sup>1</sup> of **0.43** or lower  
**↓ 5%**

<sup>1</sup> Compared to the combined legacy Companies in 2018.



# OCCUPATIONAL HEALTH

MATERIALITY  
ASSESSMENT

PRIORITY

HIGH

MED

LOW

Mining and its associated processes can expose workers to a range of occupational health hazards. These could include respiratory problems, long-term strain injuries and damage to hearing or mental health. These require careful management to reduce the risk of them developing into serious health problems. We are determined to protect our workforce from such impacts through our occupational health and wellness activities.

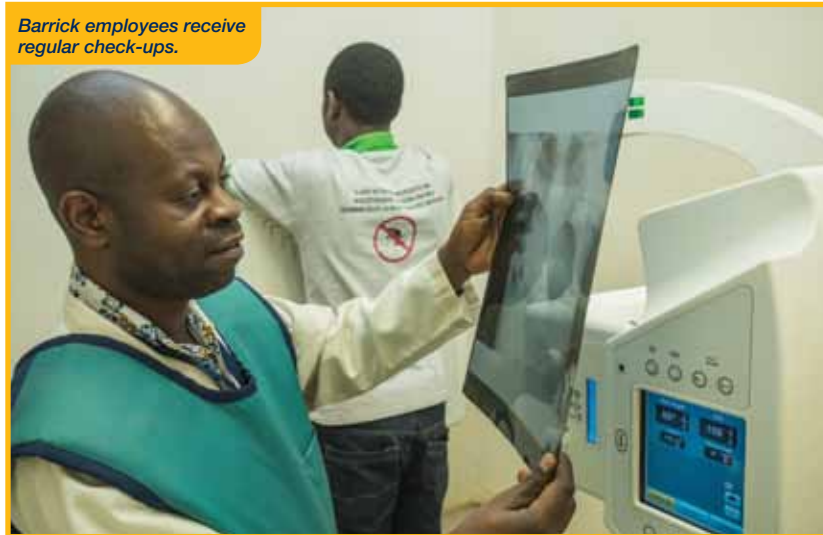
## Management approach

Our aim is for a zero-harm workplace and our approach to achieving this is set out in our new Occupational Health and Safety Policy. We apply a systematic approach to anticipating, identifying, evaluating, controlling and monitoring occupational health hazards and exposures.

Key aspects of this include:

- **Diligent monitoring and control of potential occupational health hazards** including job specific risk assessments and use of engineering controls such as ventilation systems to reduce exposure to dust, gases or fumes.
- **Regular medical checks for employees** including blood tests for heavy metals, hearing tests and respiratory monitoring for lung issues. These are carried out pre-employment and at regular intervals to track whether workplace hazard controls are effective at maintaining employee health and well-being at pre-employment levels. Staff regularly exposed to hazardous chemicals receive additional regular biological and radiation testing.
- **Promoting opportunities to improve personal health behaviors** with a number of sites having wellness initiatives in place including stop-smoking programs and travel security training.
- **Awareness raising and management of fatigue** including fatigue avoidance training courses for shift workers, such as 'Managing a Mining Lifestyle', and fatigue monitoring by supervisors to make sure workers are ready for duty. In 2019, we will begin the roll out of in-vehicle fatigue monitoring systems.
- **Activity to reduce health issues in the wider community** that will have an impact on the workforce and business objectives, most prominently in the case of our stand-alone malaria and HIV/AIDS programs in the AME region.

Barrick employees receive regular check-ups.



Odontological, ophthalmological, audiometric, dermatological and general health campaigns are carried out.



## 2018 Performance

All workers (100%) in 2018 were covered by our occupational health and safety systems.

Across legacy Barrick sites there were 13 occupational health issues in 2018. These included six cases of noise induced hearing loss, two cases of hand arm vibration syndrome, two of carpal tunnel syndrome and one case each of chronic obstructive lung disease, tendinitis and repetitive strain injury. Among former Randgold sites there was one occupational disease diagnosed in 2018, that was a case of musculoskeletal disorder (disc herniation) at Tongon. All cases are being treated by on-site medical teams or have been referred to external health care providers for long-term treatment.

## Malaria and HIV programs

Access to healthcare is an acute challenge for most host communities in our AME region. At the former Randgold mines we have advanced and detailed programs in place to reduce two of the biggest health challenges facing our communities in the region: Malaria and HIV/AIDS.

### Malaria

The four former Randgold sites (Kibali, Loulo-Gounkoto, Tongon and Morila) provide complimentary basic medical care, including treatment for malaria to their workforce, their immediate families and to all community members living within a 15km radius of our mines. The standalone program sees the wide distribution of disease controls including mosquito nets and spraying programs (see NET BENEFITS).

The results of its malaria reduction activity in 2018 were very encouraging and saw the malaria incidence rate across the four former Randgold mines drop by 16.6% compared to 2017, bringing the malaria incidence rate to 22.8%.

Lumwana is the only legacy Barrick mine with significant malaria incidence and this has now been included in an expanded malaria program. When Lumwana is included, the baseline malaria incidence rate for the AME region in 2018 was 20.4%.

### HIV/AIDS

To reduce the spread of HIV and AIDS in our host communities, the former Randgold sites partnered with expert local HIV-focused NGOs to develop and deliver awareness raising and education programs, distribute free condoms and to promote voluntary counseling and testing (VCTs) to provide counseling to anyone who tests positive and arrange referrals for antiretroviral drugs.

In total the former Randgold's HIV/AIDS program in 2018:

- Distributed more than **313,000** condoms
- Provided more than **11,000** free VCTs to our workforce and local community, an increase on 2017
- Saw HIV prevalence rates drop from 1.33 to **1.02** across the former Randgold mines



FIGURE 19: MALARIA INCIDENCE AND VCT RATES FOR AME REGION (COMBINED COMPANIES)

	2018	2017
Malaria incidence rate <sup>1</sup>	20.4%	24.6%
Amount of voluntary counseling and testing (VCTs) conducted	11,962	7,775

<sup>1</sup> Number of new positive cases x 100 / Total employees during the reporting period.



# TARGETS FOR 2019 AND BEYOND

Certify all operational mines to

**ISO 45001**

Health and Safety standard by end 2021



Ensure

**baseline risk assessments**

and associated action plans on occupational health conducted at all sites

**↓ 5%** annual malaria incidence rate in Africa and Middle East



## INTEGRATING THE SUSTAINABLE DEVELOPMENT GOALS

	<p><b>3</b> GOOD HEALTH AND WELL-BEING</p>	
<p><b>Overview contributions</b></p>	<ul style="list-style-type: none"> <li>■ In 2018 the combined Companies invested over <b>\$1.2 million</b> in community health programs.</li> </ul>	
<p><b>Snapshot example</b></p>	<ul style="list-style-type: none"> <li>■ In the AME region we have <b>stand-alone campaigns</b> to reduce <b>malaria</b> incidence, the prevalence of <b>HIV/AIDS</b> and to improve <b>road safety</b>.</li> <li>■ In 2018 the malaria incidence rate in our AME region <b>reduced</b> from 24.6% to <b>20.4%</b> of our workforce compared to 2017.</li> </ul>	



## NET BENEFITS: BOOSTING PRODUCTIVITY BY COMBATING MALARIA

Around 90% of all malaria-linked deaths occur in Africa and the disease causes enormous human and economic costs.

At the four mines run by former Randgold, malaria accounted for approximately 20-25% of annual worker absences. Thus, it is in the interests of our business and the welfare of our workforce and host communities in the region that we invest in meaningful steps to eradicate malaria from our operations in Africa.

In 2018 the former Randgold spent more than \$680,000 on initiatives to combat malaria. Efforts included:

- Distributing more than 13,700 insecticide impregnated mosquito nets
- Larvaciding within a 10km radius of each of our mines
- Working with an entomology consultant to understand which chemicals will be most effective to spray at each site
- Training staff on correct chemical spraying techniques and expanding the areas sprayed
- Providing insect repellent to night shift workers, who are particularly exposed to the disease
- Providing prophylactic anti-malarial medication to all workers at our West Africa operations during the four-month transmission season

In host communities such as those in Mali, Côte d'Ivoire and the DRC these actions have driven malaria incidence down dramatically from the baselines set before operations began. Incidence has reduced in 2018:

- From 132%<sup>1</sup> (2010) to approximately 32% around Tongon in Côte d'Ivoire
- From 113% (2011) to approximately 13% around Kibali in DRC
- From 192% (2000) to approximately 10% around Morila in Mali
- From 74% (2011) to approximately 28% around Loulo-Gouunkoto in Mali

Many of these practices are now being applied at Lumwana in Zambia.

<sup>1</sup> Note that as malaria can be contracted more than once, incidence can rise above 100%.

Spraying for mosquitoes.

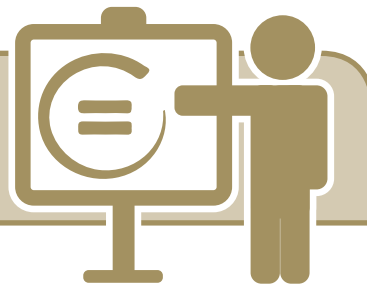


# 4 HUMAN RIGHTS

Barrick's sustainability vision is to create long-term value for all our stakeholders. We contribute to the social and economic development of our host countries and communities. We protect the safety and health of our workforce. **We respect human rights.** And we manage our impacts on the natural environment, both today and with future generations in mind.



**+17,500** hours of human rights training provided to security personnel at legacy Barrick sites alone



Workers are partners in our business and all employees are **free to join unions** to protect their interests



We aim to not cause, contribute to, or be directly linked to any serious allegations of **human rights incidents** at any mine we operate



We respect the human rights of all individuals impacted by our operations, including employees, contractors and external stakeholders. Wherever we operate, we seek to avoid causing or contributing to human rights violations and to facilitate access to remedy. While Governments have the primary responsibility to protect against human rights violations, we understand and accept our responsibility to respect human rights.

“ We are very committed to playing our part in building a world of universal respect for human rights and fundamental freedoms for all. We provide guidance and training to all employees and contractors to ensure they understand and act on their human rights responsibilities. ”

*Ashleigh Lawson, SVP Assurance and Risk*

## HUMAN RIGHTS COMPLIANCE

Our mines operate in highly diverse social, economic and political environments, including locations where human rights may not be fully recognized or protected. Each location has a different cultural context, faces different risks of negative human rights impacts and encounters different expectations from their respective host communities, Governments and key stakeholders. No company of our scale can eliminate all human rights risks linked to its operations. By putting in place transparent and effective mechanisms to implement our policy we aim to not only minimize our exposure to human rights impacts, but also facilitate access to remedy and contribute to a greater awareness and understanding of the importance of upholding human rights.

### Management approach

Our commitment and approach to human rights are set out in our updated Human Rights Policy. This policy commits us to always strive to act in accordance with the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the Voluntary Principles on Security and Human Rights. We consider human rights to be all internationally recognized human rights in the International Bill of Human Rights and the International Labor Organization (ILO) Declaration of Fundamental Principles and Rights at Work.

Overall design and oversight of our human rights compliance activity rests with our Senior Vice President (SVP) of Assurance and Risk. She is supported by senior executives such as the Group Sustainability Executive and Human Resources Executive.

Core activities we undertake to implement our Human Rights Policy include:

- **Monitoring and reporting:** We monitor for potential human rights incidents and strive to be transparent in our reporting of these. Key mechanisms to enable concerns to be raised include our grievance mechanism (see ‘Community engagement’ section) and our confidential hotline, managed by an independent third party. We publicize our human rights commitments to local communities and other stakeholders and consult with them about their expectations around human rights.
- **Due diligence:** Part of our human rights compliance is a human rights risk assessment program that operates on a two-year cycle. In each initial year every mine conducts self-assessments, under the supervision of the SVP Assurance and Risk, to evaluate the actual, potential and perceived human rights risks and impacts on the operation. In the second year, a stand-alone, independent human rights assessment program is conducted on sites exposed to high and medium levels of risk for human rights incidents. Previous assessments were conducted by Avanzar, a respected independent consulting organization. In 2018, independent assessments were conducted at the Lumwana mine in Zambia and the Lagunas Norte and Pierina mines in Peru.



- **Training:** We provide training on our human rights expectations to all new employees. We provide further training on human rights for locations and functions where human rights risks are most acute, such as security personnel. We have a corporate target for 90% of employees, identified as working in areas of highest risk to receive enhanced in-person human rights training. Achieving this target forms part of the remuneration scorecard for all employees.
- **Disciplinary action and remedy:** Violation of our Human Rights Policy and related procedures leads to disciplinary action, up to and including termination of employment or contracts. This applies not only to committing a human rights violation but also failing to report suspected incidents or hindering investigations into potential human rights violations. We are unequivocal in advising our people and third parties that, where we conclude that they have committed or contributed to serious human rights violations, we will cooperate with the relevant authorities and law enforcement in prosecution efforts and we may assist victims in seeking redress directly against perpetrators using internationally recognized channels.

## Suppliers

Our human rights compliance practices extend to our supply chain. As set out in our Vendor On-boarding Standard and in our Human Rights Policy, we conduct due diligence on all entities receiving funds from Barrick, including suppliers, service providers and civil society groups. This includes baseline human rights due diligence. The on-boarding process covers the Supplier Code of Business Conduct and Ethics and Barrick's human rights program, as well as adherence to the Company's safety and environmental standards. We insist that human rights terms and conditions be included in contracts and require periodic human rights reporting, certifications and/or training.

We also conduct post-contract monitoring and auditing. Current vendors are assessed every three years and high-risk vendors (such as those connected with resettlement or security) are assessed annually. Assessments are the responsibility of the head of supply chain at each operation.

## 2018 Performance

We achieved the key targets of our human rights program in 2018 including:

- Neither the legacy Barrick nor former Randgold sites caused or contributed to any serious human rights incidents.
- Independent human rights assessments were conducted at Lumwana (Zambia), Lagunas Norte (Peru) and Pierina (Peru)<sup>1</sup>.
- At legacy Barrick sites, more than 300 new hires were on-boarded and received human rights training and approximately 3,500 people completed the online human rights training in 2018. The target for 90% of those most exposed to human rights risk to receive enhanced human rights training was exceeded.
- We did not identify any evidence of slave or forced labor, child labor or human trafficking on any of the sites across the expanded Group.

<sup>1</sup> Summary findings are available on request.





## Security

Our greatest exposure to potential impacts on human rights often relates to security at our mines. We produce a precious commodity – gold – and contract or employ security personnel at most of our operations to protect our assets and our people. In some locations, we may rely on public security to protect the mine. In such cases, public security personnel may have unknown backgrounds that we cannot control.

To manage these risks, we are committed to act in accordance with the Voluntary Principles on Security and Human Rights (the VPs). In practice this includes:

- Each applicable mine has Standard Operating Procedures in relation to security that are informed by the VPs
- We are putting in place measures to deliver compulsory human rights training based on the VPs to all security personnel across the expanded Group by the end of 2019
- Our training requirements apply equally to third-party organizations providing security personnel. In general, private security personnel employed by Barrick do not carry hard munitions

Since 2011, we have Bureau Veritas, a leading independent assurance firm, to complete an annual VP assessment at our sites and assure our commitment to the implementation of the VPs.

It is the responsibility of the mine's General Manager to check that standard operating procedures are followed, overseen by regional COOs. If a security incident occurs, then investigations are overseen by SVP Assurance and Risk in conjunction with the relevant regional COO with disciplinary action enacted, up to and including termination of employment or contracts. Where appropriate, we will cooperate with the police in prosecution efforts, and may assist victims in seeking redress directly against perpetrators.

At some sites, where mandated or where appropriate, we have Memoranda of Understanding with security agencies. This is the case in Zambia, Peru, DRC, Côte d'Ivoire and the Dominican Republic, and all reflect the terms of the VPs. The Porgera Joint Venture has a Memorandum of Understanding with local police forces in Papua New Guinea.

We have a template reflecting our security and human rights expectations for joint ventures and affiliates in which we have an interest but do not control and seek to use our leverage to help implement those expectations.

## 2018 Performance

There were no major security incidents at any legacy Barrick or former Randgold sites in 2018.

In 2018, all security personnel at legacy Barrick sites (more than 800 employees and approximately 700 contractors) received dedicated, in-person human rights training, including use-of-force training. This comprised more than 17,500 hours of total training.

As part of our annual external assurance process, Barrick engaged Bureau Veritas to complete a VP assessment at Pueblo Viejo in the Dominican Republic in early 2018 and at Veladero in early 2019. Bureau Veritas found Barrick maintained its commitment to the implementation of the VPs and that the sites surveyed had instituted appropriate systems and procedures to ensure adherence to the principles.



## LABOR RELATIONS

The Universal Declaration of Human Rights recognizes workers' rights to collective bargaining and to take action to protect their interests. At Barrick we see the ability to unionize, the provision of fair wages, benefits and reasonable working hours not only as part of a commitment to human rights, but as important elements in building a motivated and satisfied workforce.

### Management approach

We respect the rights of all workers to freedom of association, collective bargaining and peaceful process. Our Human Rights Policy commits us to upholding the International Labor Organization Core Conventions and we engage with trade unions in an honest and constructive way.

Transparent two-way communication is at the heart of our approach to labor relations. We keep our people updated on important Company information through our intranet, targeted announcements and face-to-face meetings. We offer a range of communication channels to enable employees, unionized or not, to openly express genuine concerns openly with the support of their colleagues and without fear of reprisal. These include both public forums such as town hall meetings or digital platforms and private forums such as our whistleblower hotline. We also encourage Senior Executives, including Human Resource Executives, General Managers and our CEO to be involved in key industrial relations discussions.



At our mines in Mali, Côte d'Ivoire and the DRC, labor representatives are invited to attend the relevant mine's quarterly Board Meetings and are consulted on key business decision-making processes, including cost reviews. For those operations where there are collective bargaining agreements in place, we respect minimum notice periods regarding communicating operational changes and invite regular feedback from labor representatives.

### Fair wages

We take a country-based approach to salaries, compensation and benefits. We offer competitive and locally-appropriate benefits that range from healthcare, to 24-month interest free loans that help workers on mines in Sub-Saharan Africa to buy transportation.

### 2018 Performance

Approximately 38% of employees were covered by collective bargaining agreements in 2018 across both legacy Companies. This includes 3,400 employees (23% of employees) at legacy Barrick sites and approximately 3,900 employees at former Randgold<sup>1</sup> (85% of employees).

At legacy Barrick sites in 2018, relations with labor unions were strong with no significant issues. However, there were some significant disputes at three former Randgold sites in West Africa in 2018.

In Mali, three short strikes took place at Loulo and two at Goukoto. At Tongon, in Côte d'Ivoire, negotiations regarding employee benefits broke down twice during the year, when the local union demanded a benefit package that included a seven-month bonus guaranteed every year. The breakdown led to a strike in April and a lock out in July and August. In total, 123 days (11 at Loulo-Goukoto and 112 at Tongon) were lost due to strikes or lockouts during 2018.

<sup>1</sup> The right to freedom of association is enshrined in law in all host countries of former Randgold mines. We estimate that approximately 85% of former Randgold employees are union members with the remaining 15% set apart only due to a long-term incentive program introduced to identify them as senior employees.

## INDIGENOUS PEOPLE

Indigenous people often have profound and special connections to, and identification with, lands and waters and these can be tied to their physical, spiritual, cultural and economic well-being. Respecting the values, needs and concerns of indigenous peoples in our site activities is core to the way we do business and helps us develop long-term, mutually beneficial relationships with those affected by our activities.

### Management approach

Four of our operating sites – Goldstrike, Turquoise Ridge, Cortez and Hemlo, and two projects at the Pascua-Lama and Donlin Gold projects – are located near the traditional territories of indigenous peoples. We have agreed arrangements in place with indigenous peoples at all these sites, except for Pascua-Lama. Both Barrick Nevada and Hemlo have also developed and are implementing an Indigenous Peoples Plan that outlines specific actions to engage, address impacts and provide opportunities to local indigenous peoples.

New projects and significant expansions of operations located on lands traditionally owned by, or under the customary rights of, indigenous peoples must also align their activities with the *ICMM Position Statement on Indigenous Peoples and Mining*. As a Company, Barrick is committed to working with Governments and other partners to shape the process for achieving free, prior and informed consent (FPIC) from significantly impacted indigenous peoples for new projects and major changes to existing projects, aligned with the ICMM Position Statement.

### 2018 Performance

There were no major incidents or violations of rights involving indigenous populations at our sites in 2018. We enjoyed many good relations, such as those described in the case study: 'Our ongoing partnership with the Western Shoshone Community'.

## GENDER DIVERSITY AND ANTI-DISCRIMINATION

We believe that diversity, including gender diversity, helps build a stronger workforce and improved business performance, so it is disappointing that mining continues to be a male-dominated industry. We also recognize sexual harassment as a risk that must be pro-actively managed.

### Management approach

We are committed to being an equal opportunity employer. Our policy is to appoint the best person to the job irrespective of gender, race, disability, ethnicity, religious belief or sexual orientation. As stated in our Human Rights Policy, we strive to act in accordance with the ILO Core Conventions.

We recognize that the majority of our workforce is male but have taken steps to encourage greater gender diversity. We aim for equal pay opportunities for both women and men in equal or similar roles that require similar levels of education and experience. Discrimination in any form is strictly prohibited by our Code of Business Conduct and Ethics and our Human Rights Policy. Such commitments extend to contractors too.

The community near Lagunas Norte in traditional Peruvian dress.



## 2018 Performance

In 2018, just under 10% of employees (1,885 people) across both legacy Companies were female. This represented 12% of legacy Barrick and over 3% of former Randgold employees.

In terms of high-level positions in 2018, at legacy Barrick, 15% of senior management were women and its Board included two women at the end of 2018, while 13% of senior management at former Randgold were women and its Board included three women.

The reconstituted Barrick Board was formed with nine members, of whom one was female. Regrettably, on February 28, 2019, María Ignacia Benítez passed away. Barrick's Corporate Governance & Nominating Committee initiated a search for an equally compelling and qualified female candidate to fill the vacant Board position and on August 9, 2019, we announced the appointment of Loreto Silva to the Board of Directors as an Independent Director.

## Sexual harassment

We have a zero-tolerance policy for sexual harassment at Barrick. Anyone who is found, after appropriate investigation, to have engaged in unlawful harassment of another person will be subject to appropriate disciplinary action, which, depending on the circumstances, may include dismissal. To implement this policy across the Group, we have put in place a global anti-harassment standard and dedicated training programs on the topic. In the US alone, we trained 3,599 employees, hourly and salaried, specifically on sexual harassment training. In addition, we trained 3,629 salaried employees on the Code of Conduct and Business Ethics, which also includes sexual harassment information.

## CASE STUDY

# EQUAL OPPORTUNITIES TO UNLOCK POTENTIAL

Following our recent merger, Barrick continues to be committed to providing equal employment opportunity to men and women, setting them up to grow professionally and succeed in a fast-paced and high-pressure environment.

One example is Alejandra Vial, Director of Site Closure in Chile, who has ascended in her career since joining Barrick in 2015 as a Manager of Environment and Permitting, predominantly overseeing aspects of the Company's Alturas and Pascua-Lama projects in that country. Vial joined Barrick after more than 20 years working in copper mining and consulting, seeking the opportunity to grow professionally and tackle big challenges.

"I have led engineering teams and have been selected for projects based on my abilities and competencies," Vial says. "I've never felt marginalized, diminished, or as though I was denied or not offered opportunities because I am a woman and so I feel valued as a person."

Vial has found Barrick a supportive employer, whether through supporting her in learning English to teaching her about other disciplines and professions to better coordinate multidisciplinary teams. Vial has also found a helpful environment in which to maintain a good work-life balance that allows her to take care of her five children. This includes the flexibility to work remotely.

"I've found it energizing and exciting to be able to share experiences and information with people in other parts of the world and working at Pascua-Lama has provided me great opportunities to grow," Vial says. "As long as I've got something to challenge me, something to solve, I'll always be happy, and Barrick offers that."

Alejandra Vial (Second from left) has never felt marginalized.



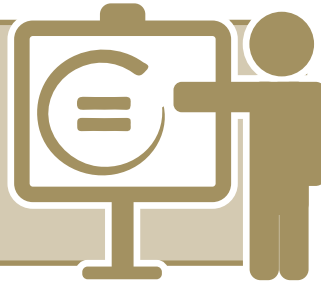


## TARGETS FOR 2019 AND BEYOND

Not to cause, contribute or be directly linked to any **serious human rights incidents** at any mine we operate



Human rights training for **100%** of new employees and enhanced training for at least **90%** of highly exposed employees



All mines to complete **human rights assessments.** External, independent human rights assessments to be conducted at two legacy Barrick sites and two former Randgold sites

### INTEGRATING THE SUSTAINABLE DEVELOPMENT GOALS

<p><b>SUST DEVELOPMENT</b></p>	<p><b>5 GENDER EQUALITY</b></p> 	
<p><b>Overview contributions</b></p>	<ul style="list-style-type: none"> <li>■ We employed <b>1,885 women</b> in 2018, approximately <b>10%</b> of our employees across the combined legacy Companies.</li> <li>■ All female staff have <b>equal pay opportunities</b> with men in equal or similar roles and we are committed to being an equal opportunities employer.</li> </ul>	
<p><b>Snapshot examples</b></p>	<ul style="list-style-type: none"> <li>■ In Africa, we provide support to <b>women's projects</b> such as market gardens, that provide additional income for local women. We also raise awareness with communities of the importance of work for women.</li> <li>■ In 2018, near the Pierina mine in Peru, we facilitated workshops and programs to strengthen leadership skills for more than <b>100 local women</b>.</li> </ul>	



# 5 MANAGING OUR IMPACTS ON THE NATURAL ENVIRONMENT

Barrick's sustainability vision is to create long-term value for all our stakeholders. We contribute to the social and economic development of our host countries and communities. We protect the safety and health of our workforce. We respect human rights. **And we manage our impacts on the natural environment, both today and with future generations in mind.**



All sites to have **ISO 14001:2015** certified environmental management systems by the end of 2020

**84%** of water used at our mines located in areas of high water stress recycled/reused

**6** levels of surety, to put safety at the centre of tailings management

**64%** of energy needs at Kibali in the DRC met by clean hydropower, site-level **energy plans** to help manage climate risk

**\$4.3 million** spent on biodiversity conservation programs, with concurrent rehabilitation at all sites

**2.8 million GJ** of renewable energy used by combined legacy companies



**“ Strong environmental management is a crucial building block of our business. Environmental issues with the greatest potential impact on the health and safety of local communities, such as how we use water, prevent incidents and manage tailings, are at the top of our agenda. ”**

*Grant Beringer, Sustainability Executive*

Mining impacts the physical environment including the land, air, water and other important resources that we share with others. Our stakeholders expect us to manage and minimize any negative impacts our operations may have on the environment and we are committed to do so. That is not just the right thing to do, it makes sound business sense; poor environmental management can cause long-term damage to community relations, incur legal penalties and erode a company's reputation.

We see this as a fundamental responsibility of any modern mining company.

## ENVIRONMENTAL IMPACTS

### Management approach

Our Environmental Policy outlines our commitment to use natural resources efficiently and to protect, restore and enrich the local environment where possible, with the overarching aim of avoiding environmental incidents. It is informed by international best practice including the IFC Performance Standards.

We commission independent consultants to conduct environmental and social impact assessments (ESIAs) at the prefeasibility or feasibility stages of every new project to understand the environmental impacts and risks of a potential mine. For projects which progress to construction and operation, the ESIA forms the basis of the site-specific environmental management system (EMS).

All our operations have an EMS in place to monitor and improve environmental performance. Under the supervision of the site General Manager, and executed by the site Environmental Managers, the EMS implements our corporate Environmental Policy in the local context, taking local regulations and permit requirements into account. Guidance is provided by regional and executive-level leads and every EMS is reviewed annually with assistance from external auditors as appropriate.

We have set a corporate goal for all sites to have their EMS certified to the ISO 14001:2015 standard by the end of 2020. Currently, all operations, except the Jabal Sayid Mine in Saudi Arabia and the Lumwana Mine in Zambia (88% of operational sites), are certified to this standard.

*Members of the community join the Barrick team to sample water.*



Environmental incidents are a key indicator of our performance, and should an environmental incident occur, each mine's EMS supports a coordinated response, to identify and promptly correct the fault and improve systems to avoid a fault or occurrence being repeated. We use the same procedures and systems to identify, log and disseminate learnings from environmental incidents as we do with health and safety incidents.

Legacy Barrick and former Randgold sites used different classifications for environmental incidents. In early 2019, we updated and aligned the classification system for the expanded Group using a transparent and impact-based approach. We have also set a target for: Zero 'Class 1 – High Significance' environmental incidents (the most severe type) in 2019.

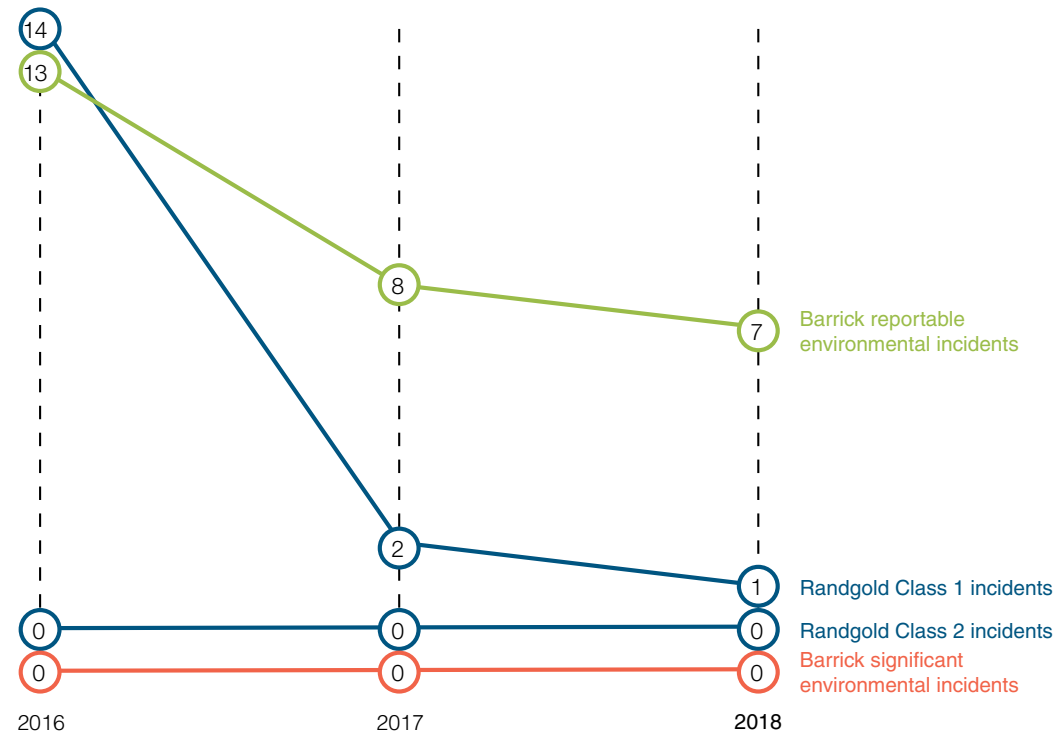
## 2018 Performance

Neither of the legacy Companies had a high significance environmental incident in 2018, or in the previous two years.

Both legacy Barrick and former Randgold sites reduced the number of medium significance incidents in 2018 (classified as 'Reportable Environmental Incidents' by Barrick, and 'Class 2' by Randgold).

Across the combined Group there were four significant spills, with a total significant spill volume in 2018 of 30m<sup>3</sup> of fuel.

FIGURE 20: ENVIRONMENTAL INCIDENTS<sup>1</sup>



<sup>1</sup> **Randgold Class 1 incidents**, defined as major incidents that result in death or injury of people or destruction of community property or husbandry. **Randgold Class 2 incidents**, defined as medium incidents involving material disruption to production or uncontrolled release of contaminated effluent outside the boundary fence of an operation. **Barrick Significant Environmental Incidents**, defined as those incidents with the highest negative impacts on human health, the environment or associated financial costs. **Barrick Reportable Environmental Incidents (REI)**, defined as incidents that have a 'high' ranking on Barrick's REI Severity Index and usually require immediate reporting to relevant Government authorities.



**FIGURE 21: BREAKDOWN OF 'REIs' AND 'CLASS 2' INCIDENTS**

Location	Details of incident	Remedial measure taken
Nickel Plate	An unauthorized discharge from the closed tailings storage facility to a nearby creek when seepage water exceeded the site's emergency effluent storage capacity.	Corrective actions included enhanced controls over critical equipment spares and improved backup genset capacity.
Goldstrike	Mercury air emissions at the Goldstrike roaster exceeded compliance levels as a result of instrument errors in the facility.	Standard operating procedures were updated to implement more robust procedures for determining mercury concentrations.
Cortez	A haul truck fuel hose struck and damaged by a rock released <b>3,600 liters</b> of diesel onto a haul road; no impact to any watercourse, flora or fauna.	Training practices and procedures for improved fuel hose inspection and maintenance were implemented.
Veladero	A shovel was struck by a boulder which had rolled down from the muck pile causing a puncture in the fuel tank. As a result, approximately <b>3,000 liters</b> of diesel spilled into the pit. The spill did not impact any watercourse, flora or fauna.	The emergency response team was dispatched and the impacted area was remediated.
Veladero	Approximately <b>3,000 liters</b> of diesel fuel was spilled on a haul road following an incident in which a fuel tanker detached from the truck chassis and cracked. The spill was controlled and contained in the area. The spill did not impact any watercourse, flora or fauna.	The emergency response team was dispatched and the impacted area was remediated.
Pierina	Following a power outage and subsequent electrical system failure, the pumps which recirculated leaching solution from the plant to the leach pad failed, resulting in the drainage and accumulation of cyanide-bearing solution in the plant containment area and the process platform (industrial area). There were <b>no impacts</b> on downstream water courses, flora or fauna.	All containment barriers downstream of the mine were activated prior to accumulation. Continuous monitoring of downstream water points was conducted during and after the incident.
PJV	A malfunction of the system that controls cyanide addition to the leach circuit led to an elevated concentration of cyanide within the leach circuit. This subsequently led to an elevated concentration of cyanide in the tailings discharge which was in excess of the site-based internal performance targets. The incident did not constitute a non-compliance with environmental permit conditions and there were no impacts found to people or the environment.	Engineering controls and standard operating procedures were updated following a comprehensive investigation. The site monitored the downstream environment and commissioned an independent health risk assessment of the incident which confirmed no impacts to people or the environment.
Tongon	A contractor's truck over turned on the way to the mine spilling over <b>21,000 liters</b> of diesel onto the road.	All polluted soil collected and sent for safe disposal. Additional driver training on safe driving implemented and new reflective safety equipment for trucks deployed.



## TECHNICAL EXPERTISE AND TRANSPARENT MANAGEMENT HELPING RE-BUILD TRUST AT VELADERO

In March 2017, the monitoring system at our Veladero site in west-central Argentina detected a rupture of a pipe carrying gold-bearing solution. The spill was contained within the operating site and the spill did not reach either the diversion channels or enter any watercourses. All affected soil was promptly excavated and placed on the leach pad. Although appropriate corrective measures were taken quickly, this was the third cyanide-related incident reported in three years at Veladero.

Thus, it became a critical priority for our site environment team to strengthen management in 2018, working together with Shandong, our joint-venture partner at the mine.

We identified both technical and management improvements at the site and have taken a twin-track and fully transparent, approach to fixing both of these.

### Enhanced containment

The first priority following the March 2017 incident was to put additional investment into the leach pad and pumping systems and since then Barrick has invested over \$12 million to improve containment around the leach pad and to reinforce all pipelines.

This has included the development of a new containment channel as an additional buffer against leakages at the south perimeter, the installation of more heat- and pressure-resistant pipes from the leach pad and burying these pipes in line with international best practice.

Also, the future pipeline roadway location has been redesigned in the center of the leach pad so that if a spill occurs in the future, it will fall within the lined collection system, reducing the hazard risk.

### Change at the top

On the management side, there has been a comprehensive overhaul of the management team at Veladero since 2017, with new executives in place throughout the senior team. An updated management system that is certified to the International Cyanide Management Code is in place and the mine continues to use the international ISO 14001 environmental management standard.

In an effort to rebuild trust with local stakeholders, the new management team at Veladero has enabled local authorities to conduct technical audits of the relevant facilities every week. The mine now also puts all relevant operating data on a live online feed so that regulators, local communities and others can monitor the system.

### Lots done, lots still to do

We are highly encouraged that there have been no further cyanide-related incidents at Veladero since this work began and that community perception surveys are showing more positive opinions of the mine. It is also reassuring that the Argentine Government has recently approved testing to increase our permit limit and production rate at Veladero.

Trust however takes a long time to rebuild and we are committed to not letting complacency creep in at the operation. We continue to closely monitor, manage and improve all aspects of environmental management at the site.

Testing for cyanide in the watercourses near Veladero.



## A NEW ENVIRONMENTAL CLASSIFICATION SYSTEM

Since the merger we have introduced a new Environmental Incident Reporting and Investigation Standard to define the classification, reporting, responsibility and investigation of environmental incidents at Barrick sites.

A key part of this is the establishment and maintenance of a new process for incident classification that creates a uniform approach to environmental incident reporting. The classification is based on the impact of the incident and aims to utilize the expertise of on-site environmental teams. An impact severity matrix is used to determine the classification, which categorizes the duration, extent and scale of harm following investigation by qualified professionals. Classifications are overseen by Group-level management.

The three levels of environmental incidents are:

- **Class 1 – High Significance.** An environmental incident is considered Class 1 if it:
  - Causes significant negative impact on human health or the environment
  - Extends onto publicly accessible land and has the potential to cause significant adverse impact to surrounding communities, livestock or wildlife
  - Results in a breach of license conditions, environmental regulations and standards
  - Results in a release of cyanide above a defined level to any surface water that leaves the site boundaries or any groundwater aquifer
  
- **Class 2 - Medium Significance.** An environmental incident is considered Class 2 if it:
  - Has the potential to cause negative impact on human health or the environment but is reasonably anticipated to result in only localized and short-term environmental or community impact requiring minor remediation
  - Has the potential to breach license conditions (convention conditions and law) or prescribed operational or regulatory threshold but does not require immediate regulatory notification
  
- **Class 3 – Low Significance.** An environmental incident is considered Class 3 if it:
  - Has minimal on-site impacts that do not adversely affect human health or the environment
  - Does not require immediate reporting and will be dealt with by existing Standard Operating Procedures



## TARGETS FOR 2019 AND BEYOND



Certify all operational mines to  
**ISO 14001: 2015**  
 environmental management  
 standard by the end of 2020



**Zero** 'Class 1 – High Significance'  
 environmental incidents



**MATERIALITY  
 ASSESSMENT**

**PRIORITY**

**HIGH**   
**MED**   
**LOW**

### MANAGING WATER RESPONSIBLY

Managing water responsibly is one of the most important challenges facing the mining industry – and Barrick – today. Water is essential to the health and well-being of local communities near our mines and access to water is a human right that must be respected. Water is also an essential input for mining activities at every stage of the Life of Mine. This interdependence means that if not properly managed our water use can have a direct impact on the livelihoods and rights of local stakeholders. On the other hand, we also believe that our commitment to sustainable development brings an opportunity to expand and improve access to water near our mines.

### Our management approach

Our focus is on disciplined water management throughout the mine lifecycle by, understanding our water-related risks, conserving water and controlling our impacts on water quality, and being transparent about our use of water resources. We support the International Council on Mining and Metals (ICMM) Position Statement on Water Stewardship, with its holistic view of water as a shared resource and its focus on collaboration and transparency.



“ We put all our effort and resources into protecting the water quality through our best operational practices and our monitoring programs, for the water that flows through the mine and our areas of influence. ”

*Carlomagno Bazán, Manager, Health, Safety, Environment and Permits, Andina del Sol, Veladero mine*

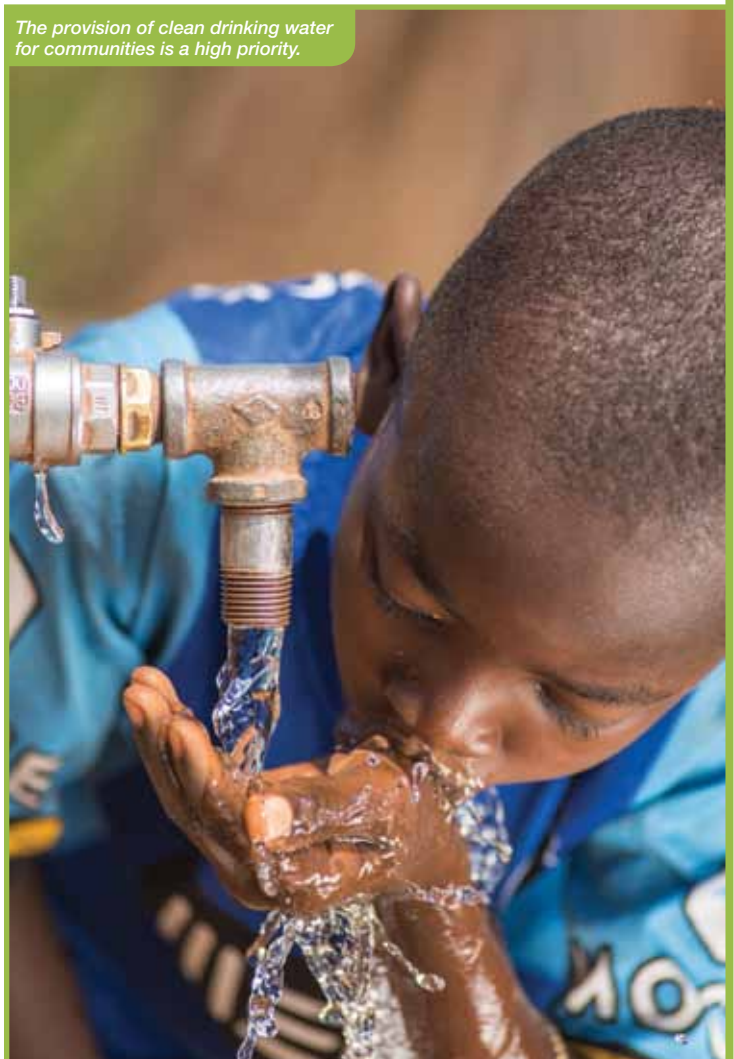
### Understanding water-related risks

Barrick operates in highly diverse operational contexts across multiple jurisdictions. Some mines may operate in places where there is little water due to their geographical location, extreme weather events, or changing climatic conditions. Others may have to manage an excess of water. The nature of each operation's orebodies or processes can also bring a number of risks as this has an impact on the sources of water we can draw on and the range of operational uses we have for water. Because of this, our strategy puts a priority on first understanding site-level risks and potential impacts, so that we can then properly plan, manage, and mitigate them.

Water risks are incorporated into Barrick's operational risk registers and rolled up into the corporate risk register. Risks may vary from managing excess water supplies in high rainfall regions to maintaining access to water in arid regions to regulatory risks related to legal regimes governing water use.

To consider site water stress, our risk registers are supplemented by external frameworks and tools that help us assess and understand the broader context. These included the Global Monthly Water Scarcity map, which is linked to the Water Footprint Network, to assess stress at watershed level; the WWF Water Risk Filter to evaluate social-related water risks; and the World Resources Institute Aqueduct tool to map and measure water risks. Following this process, we have identified six of our operations (Cortez, Goldstrike, Golden Sunlight, Turquoise Ridge, Pierina and Jabal Sayid) to be located in areas of high water stress. In 2019, we plan to continue to improve and better standardize this process across the expanded Group.

*The provision of clean drinking water for communities is a high priority.*



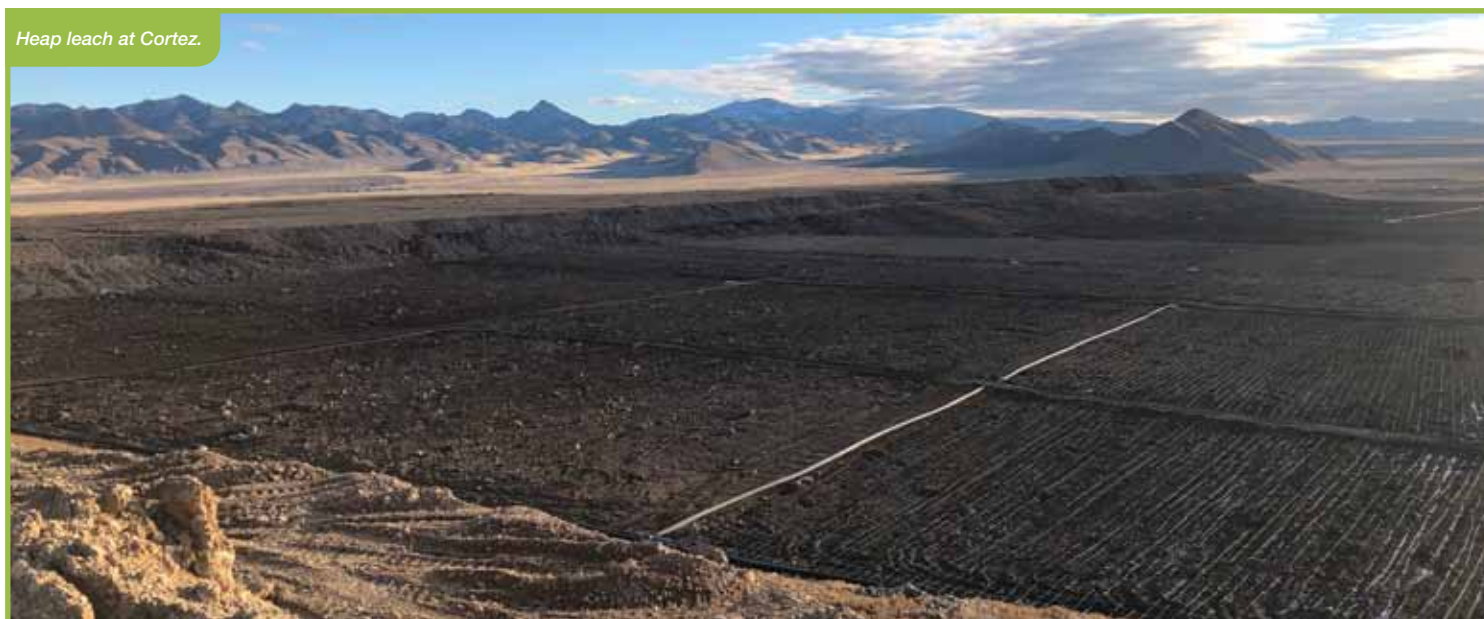
### Conserving water and controlling quality

Every Barrick-operated site has a site plan for managing water which addresses the most important water-related risks. The regular tracking of active water balances on a weekly and monthly basis are at the heart of these plans. These balances help our sites better understand water use and identify opportunities for improvements. For example, at the Loulo mine in Mali, regular reviews of our water balance helped us increase recycling rates by identifying increases in water stored at the TSF. This also helped to keep the size of the pool retained by the TSF low which supports dam stability. Similarly, at Tongon in Côte d'Ivoire, improved water balance monitoring has reduced the need to pump water from the freshwater dam which, in turn, has preserved supplies for local communities.

In water scarce regions, water management plans take particular care to account for the reduced supply of freshwater for local communities and ecosystems. Where possible, we only use low quality water as inputs and recycle or reuse water from our processes. For example, at our mine in Saudi Arabia, we use municipal wastewater in our processes and only use freshwater for drinking and sanitation. We also use process techniques, such as use of heap leaching, or alternative tailings disposal methods such as paste tails, where feasible to reduce freshwater consumption at several sites.

In regions where there is excess water, our sites face different water management challenges. Sites with positive water balances must manage high precipitation volumes and store and treat contact water. Water used for processing or encountered in mining must be thoroughly treated before being put back into the environment. Our mines have also established water-monitoring networks to monitor the quantity and quality of the basin water resources. This is done according to strict standards and we continuously monitor the quality and quantity of any discharged water. Permit limits or legal standards govern the concentrations of certain constituents that can be discharged in the water. We also monitor the performance of our site water management systems, detect and act on any deviations and pursue improvement opportunities.

In areas of high water stress, where conservation is especially critical, we recycle or reuse 84% of water. At other operations, we have positive water balances and managing surplus water in a responsible manner is a priority. In such contexts, our water use efficiency is lower. Overall, we reuse or recycle 68% of the water we withdraw at our mining operations. We have set a corporate target to reuse or recycle 70% of water across our operations in 2019.



Barrick regularly samples surface water and ground water.



### Transparency

We have aligned our corporate processes to leading international disclosure standards. In 2018, Barrick updated its processes for water data consolidation and reporting to the ICMM Water Accounting Framework. This marks a significant advancement in the way much of the industry reports water by introducing consistent, comparable metrics that have been adopted by leading companies. Shortly after the merger, and following feedback from ICMM to the mining industry on the use of this terminology, we worked to align the 2018 historic data for the former Randgold sites to these definitions to provide a clear baseline for the new Group. Unfortunately, as these definitions differ from the terms used in earlier reporting by our legacy Companies, data is non-comparable to previous years.

In addition, in 2019 we will complete the CDP Water questionnaire. This will make further detail on our water management publicly available as part of our commitment to transparency.





# WATER AS A HUMAN RIGHT

We recognize that access to water is a basic human right.

We carefully monitor water use in and around our mines to ensure high quality drinking water is available and not inhibited by our activity. We use a variety of tools to track water availability including ultrasonic flow meters, mapping across a series of boreholes to check for over pumping and cone of depression modeling to identify lowering of the water table.

Since it opened in 1990, the Porgera Joint Venture (PJV) has been the subject of various water-related concerns. This includes concerns over the use of riverine tailings (see waste management section for more details) and access to water more generally. These concerns were recently documented in a March 2019 report entitled Red Water<sup>1</sup> which alleged that Porgera was failing to respect the local communities' right to water.

In April 2019, PJV responded to the report. While the study claimed that the operation of the Porgera mine infringed on other users' rights to water, PJV provided important context to these allegations, as they had during the course of the original study in 2017, including:

- Rainwater has historically always been the main source of drinking water in Porgera, a region which receives 4,000-4,500mm of rainfall per year. The study did not find high concentrations of heavy metals in collected rainwater. Dissolved metal concentrations are well within the World Health Organization (WHO) drinking water guidelines at all water sources, except in undiluted tailings which are not a source of potable water in the community.
- Water associated with the site is closely monitored, with scrutiny from independent experts and regulatory authorities. In addition, we work in partnership with community representatives from the Porgera Land Owners Association (PLOA) and representatives of Village Water Committees (VWCs) to take samples of drinking water at sites of their choice on an annual basis. These are sent for analysis at two independent, reputable laboratories and the results shared and discussed with the community.
- Investment in community development at Porgera has played its part in attracting migrants to the area, and this inevitably leads to greater strain on local water supplies. In partnership with local communities, the PJV-Barrick Access to Water Program provides additional potable water. We are working together to build and maintain rainwater catchment and reticulation systems. Since 2011, 114 water tanks have been installed, with a total capacity of 550,000 liters.

We will continue to support the development of the Porgera region and its communities and will respond in a constructive and transparent way to any concerns raised in good faith.

<sup>1</sup> Published by The Columbia Law School Human Rights Clinic and the Advanced Consortium on Cooperation, Conflict, and Complexity at Columbia University.

One of Papua New Guinea's many river systems.





## A FOCUS ON FRESHWATER AND WATER CONSERVATION AT LOULO

Our Loulo mine in Mali borders a semi-arid climate zone where evaporation rates often exceed rainfall. In 2018, the evaporation rate was 1,400mm, but the area only experienced 1,034mm of rain. Our site water management plan prioritizes water conservation and sets freshwater water consumption reduction targets for the processing plant and underground mining.

In 2018, we increased water recycling rates by 10% by increasing our use of water stored at the TSF for mining processes that do not require freshwater such as ore processing and running the slurry plant. For an investment of \$600,000 in new plumbing and equipment, we managed to halve our daily processing freshwater usage from approximately 5,000m<sup>3</sup> to 2,500m<sup>3</sup>.

Our water conservation efforts help ensure we do not reduce the water available to other users. Going further, we recognize that clean water availability in the region is naturally limited and so we have built 57 water access points for villages around the mine. \$94,000 was invested in community potable water this year alone. The community was involved in the whole process and a water management committee is established in every village to sustainably manage the water points.

**“ The Bantankoto village chief stated that he is very happy with the construction of these water points which improve the general living conditions of the area and particularly ease the life of local women as they previously had to queue for hours for water from a source several kilometers away. The water was unclean and caused health problems. The Mahinamine village chief stated that they know how the mine benefited local people, even beyond the drinking water issue, because they remember what life was like before the mine came. ”**

***Mohammed Keita,  
Environmental Superintendent responsible for water, Loulo***

Constructed wetlands at Loulo, Mali.



## WATER MANAGEMENT IN A WATER STRESSED AREA

As Nevada is a water stressed state, maintaining awareness of the National Integrated Drought Information System (NIDIS) is an integral part of our site-level risk analysis. It is our goal to improve our fresh water consumption efficiencies and maximize reuse and recycling of water in all of our processing facilities. Consequently, with all of the water at our Nevada mine sites being sourced from underground aquifers via deep production wells, all excess mine water is discharged to underground aquifers via rapid infiltration basins or various irrigation programs at Barrick-owned ranches.

In order to prevent contamination of clean waters, all process solutions are managed separately from the water management system and are never discharged offsite unless they meet the strictest water quality standards and promote improved water recycling. For example, at our Goldstrike Mine, excess process water was being routed to a tailings facility where the water was subject to entrainment or being lost to evaporation. A plan was developed for a water treatment plant that ultimately recovered about 25% of this excess water and used it for other mining activities, including dust suppression. As water quality and water quantity are consistently recognized as major environmental risks during Company risk assessments conducted at our Nevada mine sites, these water management strategies are implemented to minimize threats to water quality in proximity to metal processing facilities and to promote open pit highwall stability and safe underground mining activities while encouraging responsible water stewardship.

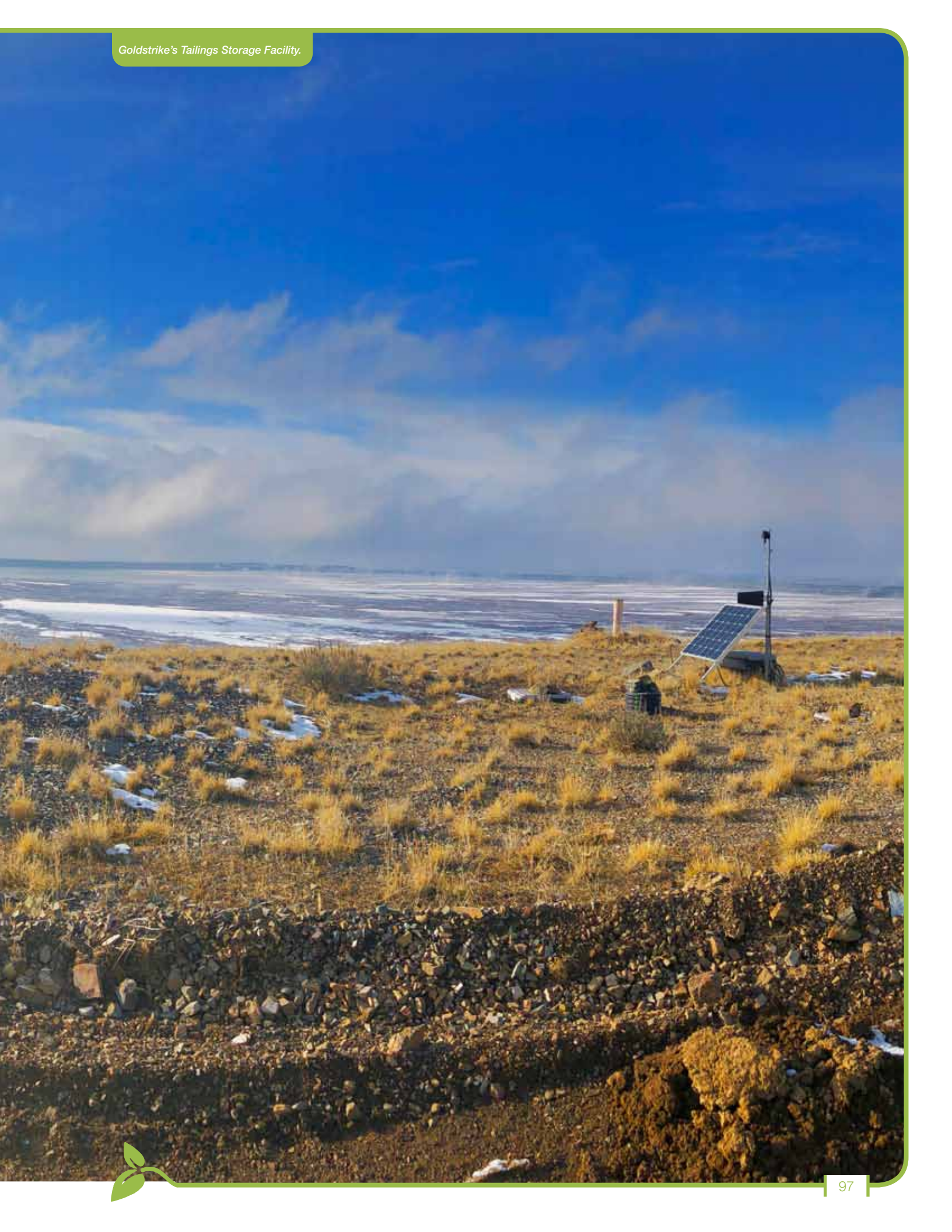
“ These water management responsibilities extend beyond our active mining operations and are practiced at our sites currently in closure. For instance, the Bullfrog open pit was backfilled in 2018 to a level above the existing water table. This ultimately prevented the formation of a lake which could have increased water loss through evaporation and exposed the groundwater system to contaminants from the surface. In Nevada’s arid climate, water maintains a higher value than it would in a less water-stressed community. Therefore, it is our responsibility, priority and privilege to manage our water with the highest standard of care and efficiency. ”

*Amy Allen, Chief Water Resources Engineer, Nevada*

The backfilled Bullfrog open pit.





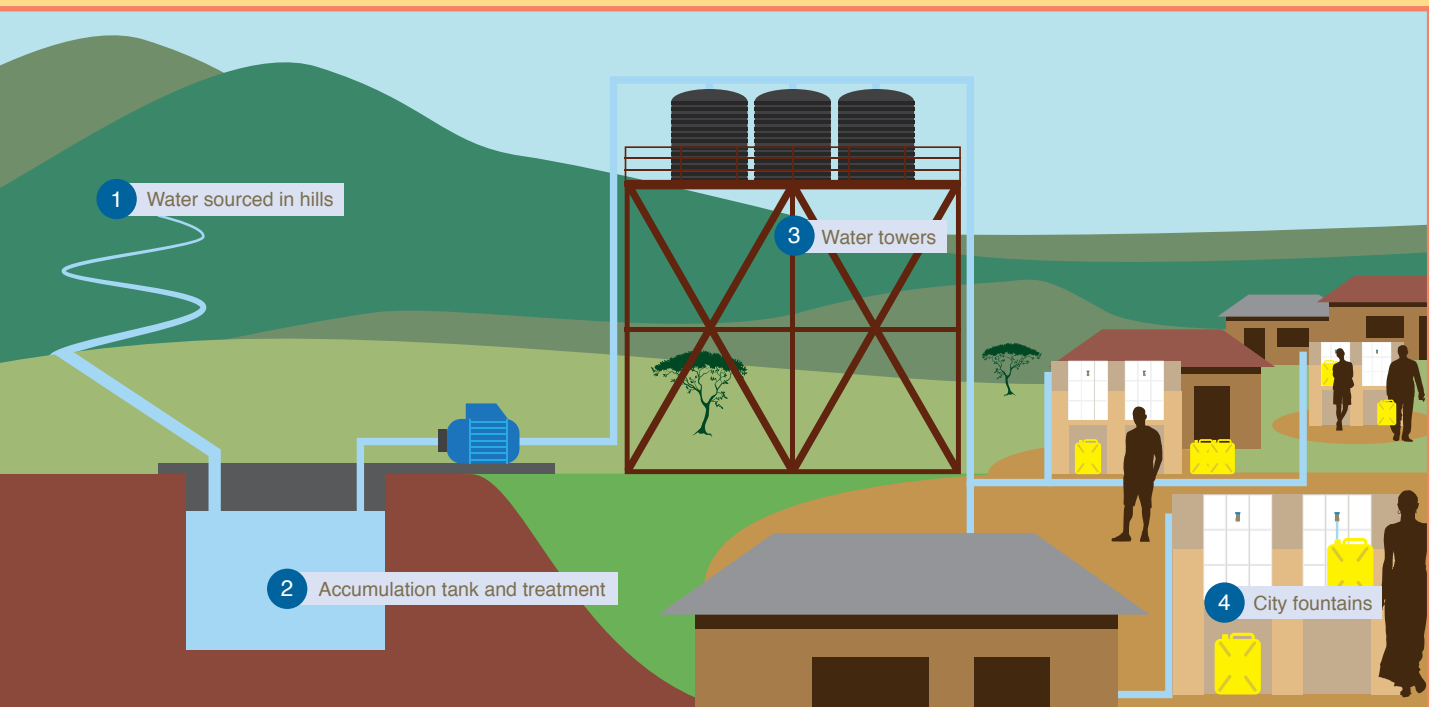


## CLEAN DRINKING WATER FOR DURBA IN THE DRC

Access to clean drinking water is essential for social and economic development. The stomach bugs and diarrhoea caused by drinking dirty water prevent children going to school and adults from going to work or taking part in community activities.

Since construction began at our Kibali mine in the DRC, we have drilled more than 100 new boreholes and upgraded many more to provide ready access to clean water for the communities closest to Kibali's operations. However, with a rapidly growing population and large impact zone, access to water remains a priority issue for Kibali communities, and particularly for residents of the cities of Durba and Watsa. In these growing cities water is either supplied by private vendors at a cost beyond the means of most residents, or a long walk to the river is necessary. In 2017, Kibali management entered into an agreement with the local Community Development Committee and in close consultation with local authorities, to invest in a water distribution project for Durba's estimated +300,000 residents.

As illustrated, the new water distribution system pumps and purifies water from nearby hills to a network of 40 water fountains in the city.



The contract for the management of the water network has been allocated to a local company and each fountain employs a monitor to supervise water collection and collect payment. The managing company is also responsible for maintenance of the system. The system was built by a network of 13 local suppliers and a local NGO, thereby multiplying the benefits delivered by the project. A local study of the impacts of the project found that 71% of residents say their children no longer miss school due to water collection chores, 73% say their children do not get sick as often and 84% say they now have extra time to work or start other income generating activities.



## 2018 Performance

The consolidated total water consumption of the legacy Companies in 2018 was 99,948ML<sup>2</sup>. Our main consumptive uses are evaporation at 57% of total consumption; most of the remainder is entrained in tailings storage facilities. These are uses that are difficult to reduce due to the local environments in which we are located and the nature of the materials we extract. At our operational facilities, we consumed an average of 0.0008ML per tonne of ore processed.

Our consolidated total water withdrawal in 2018 was 218,326ML. Surface water is the largest source of withdrawal of water for our operations, comprising 89% of total withdrawals, followed by groundwater. In addition, we drew down water stored on our facilities by 3,818ML. In total, 96% of the water we withdrew in 2018 was from high quality sources, primarily precipitation and runoff. At our operational facilities, we withdrew an average of 0.0016ML per tonne of ore processed.

The consolidated total water discharge of the legacy Companies in 2018 was 122,195ML. 96% of our discharge was to surface water. Discharge volumes are greatest at our higher rainfall sites such as Pueblo Viejo in the Dominican Republic, Porgera in Papua New Guinea and Kibali in the DRC. In total, 60% of the water we discharge is high quality water suitable for agricultural or potable use. Of the low quality water we discharge, 99% is related to the Porgera mine where tailings are discharged to surface water as permitted by the PNG Government.

At former Randgold sites there was a marked improvement in water use in 2018. Total water abstraction in 2018, when calculating water use according to their previous methodology to compare like-to-like, was almost 40% lower than in 2017. Similarly, the water recycling rate increased to 75% in 2018, meeting a 2020 target two years early. The sites also met former Randgold's target of keeping water withdrawals below 0.5m<sup>3</sup> per tonne<sup>1</sup> and used only 0.32m<sup>3</sup> of freshwater per tonne of ore processed, a 35% improvement against the previous year. Overall freshwater abstraction was reduced by 33%. Randgold received full marks and an industry best score from Dow Jones Sustainability Index for its approach to water management in 2018.

<sup>1</sup> In previous reporting, the former Randgold referred to this target as their 'efficiency' target. As we are now adopting the ICMM definition of 'efficiency', data is not comparable between years.

<sup>2</sup> One megaliter = one million liters

## TARGETS FOR 2019 AND BEYOND



FIGURE 22: ICMM WATER REPORTING METRICS

ML		Legacy Barrick	Former Randgold	Consolidated	Consolidated operational facilities	Consolidated areas with water stress		
<b>Withdrawals</b>	High quality	Surface water	132,747	56,734	189,480	177,300	1,745	
		Ground water	16,503	4,009	20,511	19,787	15,155	
		Third party water	408		408	370	83	
		<b>Total</b>	149,657	60,742	210,399	197,437	16,983	
	Low quality	Surface water	1,215		1,215	1,215	-	
		Ground water	5,754		5,754	4,321	1,978	
		Seawater			-	-	-	
		Third party water	958		958	958	958	
		<b>Total</b>	7,927		7,927	6,494	2,936	
		<b>Total withdrawal</b>	<b>157,584</b>	<b>60,742</b>	<b>218,326</b>	<b>203,932</b>	<b>19,919</b>	
		Change in storage	(3,818)	-	(3,818)	(3,873)	-	
	<b>Discharge</b>	High quality	Surface water	37,481	31,309	68,789	55,449	105
			Ground water	386	3,218	3,603	3,218	-
Third party water				338	338	338	-	
<b>Total discharge</b>			37,866	34,864	72,731	59,004	105	
Low quality		Surface water	48,758		48,758	48,758	-	
		Ground water	691		691	691	-	
		Seawater			-	-	-	
		Third party water	16		16	16	16	
		<b>Total</b>	49,465		49,465	49,465	16	
		<b>Total discharge</b>	<b>87,331</b>	<b>34,864</b>	<b>122,195</b>	<b>108,469</b>	<b>121</b>	
<b>Consumption</b>		High quality	Evaporation	41,289	6,934	48,223	47,818	10,389
			Entrainment	13,368	591	13,959	13,939	6,619
			Other	348	18,352	18,700	18,512	83
	<b>Total</b>		55,004	25,877	80,882	80,270	17,091	
	Low quality	Evaporation	9,221		9,221	9,221	935	
		Entrainment	8,531		8,531	8,531	1,722	
		Other	1,314		1,314	1,314	50	
		<b>Total</b>	19,066		19,066	19,066	2,707	
		<b>Total consumption</b>	<b>74,071</b>	<b>25,877</b>	<b>99,948</b>	<b>99,336</b>	<b>19,798</b>	
		<b>Efficiency</b>		69%	60%	67%	68%	84%
<b>Intensity</b>	Withdrawals per ounce	0.0292	0.0343	0.0306	0.0284	0.0073		
	Withdrawals per tonne ore processed	0.0014	0.0025	0.0016	0.0015	0.0006		
	Consumption per ounce	0.0125	0.0146	0.0131	0.0130	0.0072		
	Consumption per tonne ore processed	0.0007	0.0011	0.0007	0.0007	0.0006		

Efficiency is calculated as the total volume of both untreated and treated water used in tasks which has already been worked by the site (ie previously used and recovered) as a percentage (%) of the total volume of all water used in tasks (ML).

Lumwana and Jabal Sayid are copper mines and, as such, their water intensity metrics are not directly comparable to Barrick's other properties. Data for these properties are provided in ML/thousand pounds of copper. The intensity total per ounce of gold produced for Legacy Barrick and the Consolidated total does not include water withdrawn or consumed at the copper mines.

Site-by-site disclosure metrics are available in the appendices.

Totals may not add up due to rounding.

“ As a native Nevadan who was born and raised in Elko, the proper management of waste is extremely important to me because I want to ensure that future generations can experience the same wonders of our natural world that I am able too. Through proper waste management and recycling, hazardous waste is effectively and safely disposed of and stays out of landfills. ”

*Alan Klebenow,  
Environmental Engineer, Goldstrike Mine*

## WASTE MANAGEMENT

Careful management of mine waste is essential to safeguard local communities and minimize environmental damage. This includes the management of large volumes of waste rock, which may contain metals and elements, either because the rock contained them naturally or because chemical reagents were introduced through the mining process.

After ore is mined, it must be processed to extract the target mineral (eg gold). Higher grade ores are often ground into small particles to increase recovery. Once the finely ground ore has been processed, the remaining material is commonly referred to as ‘tailings’. After milling and processing is complete, tailings are either incorporated into materials used to backfill pits or underground voids created by mining, or pumped in a slurry form into an engineered repository. Such a repository is called a TSF.



**“ I’ve said we’re obsessive about tailings dam safety. We must maintain constant vigilance - the tragedy at Vale’s Brumadinho dam in January 2019 demonstrates what is at stake. Although we use third party inspectors and follow international practice, the responsibility never leaves the executive team. So a healthy dose of obsession on this issue helps ensure we are constantly checking our facilities and keeping community safety front of mind. ”**

*Mark Bristow,  
President and CEO*

Tailings dam at Loulo, Mali.





# RESPONSIBLE TAILINGS AND DAM MANAGEMENT

## Management approach



We are committed to leading practice in all aspects of tailings and dam management. We manage a total of 55 TSFs: 13 of these (24%) are operating, while 42 (76%) are closed; as well as a riverine tailings disposal system at Porgera. All TSFs are carefully engineered for stability, closely monitored and frequently inspected.

Our Tailing and Heap Leach Management Standard puts safety at the centre of tailings management. The Standard governs how all TSFs and heap leaches are located, designed, constructed, operated and closed. It designates the key roles required, such as an Engineer of Record (EoR) and a Responsible Person for each TSF. The Responsible Person manages key documentation such as the compliance plan, risk assessment and manuals and ensures an emergency response plan is in place and communicated to all affected people. A review

of our Standard is being undertaken in 2019 to ensure it is applicable to the full range of seismic and hydrological characteristics in the expanded Group.

For the construction of any new TSF or heap leach, our Tailing and Heap Leach Management Standard stipulates that the technical specifications will meet all national requirements and follow international good practice including World Bank Standards, Canadian Dam Association Safety guidelines and the Mining Association of Canada's (MAC) Guide to the Management of Tailings Facilities.

For existing and closed facilities, the Standard outlines six levels of safety oversight (six levels of surety) that must be undertaken, with full documentation at each stage:

### ■ **Monitoring technology**

Our operating sites employ monitoring systems such as vibrating wire piezometers, inclinometers, drone surveys, satellite surveys and imagery, static prisms for movement detection, drainage monitoring and other technologies to monitor TSFs, abutments, natural slopes and water levels.

### ■ **Routine inspection**

Conducted by suitably qualified and experienced site personnel, in compliance with Operation, Maintenance and Surveillance (OMS) Manual requirements. Intended to confirm that the TSF is operating within prescribed parameters.

### ■ **Engineer of Record / Dam safety inspection**

Conducted by the EoR responsible for the design of the current TSF phase, or by a suitably qualified and experienced Geotechnical Engineer outside of Barrick with a comprehensive understanding of the current TSF phase. Intended to verify that the existing or anticipated TSF conditions follow design intent and that site-specific performance objectives are being met.

### ■ **Dam safety review**

Conducted by a suitably qualified and experienced Geotechnical Engineer outside of Barrick who is neither the EoR nor a representative of the TSF operation or closure design consulting firm and who has a comprehensive understanding of the current TSF phase. Intended to provide a detailed, independent assessment of the safety and operational stewardship of the TSF.

### ■ **Assurance audit**

Conducted by our internal Corporate Technical Specialists. Expected audit frequency of one to three years, based in part on compliance level and previous findings. Intended to confirm that the existing or anticipated TSF conditions and management procedures comply with Barrick's corporate Tailings Management Standard.

### ■ **Independent Tailings Review Committee**

Conducted by one or more qualified and internationally recognized experts outside of Barrick and not involved with the preparation of the TSF design. Intended to provide an expert, independent opinion as to whether or not the TSF design and current and/or anticipated performance demonstrate an acceptable level of care, from geotechnical, hydrotechnical and environmental perspectives and with reference to accepted international practice.



We conduct independent reviews of at least three TSFs each year, so that 100% of TSFs at operational sites are independently reviewed in a five-year cycle. In 2019, we plan to complete independent third party reviews of TSFs at the Goldstrike, Cortez, Pueblo Viejo and Hemlo operations and at the Giant Nickel, Nickel Plate and El Indio closure sites.

## 2018 Performance

Some of the TSFs we manage are older facilities, built prior to recent advances in standards and technology. Following the merger, we therefore reviewed the technical specifications of all our TSFs (operating, closed and inactive) against our Tailing and Heap Leach Management Standard. Based on this review, we generated a prioritized list of improvements, ranging from adding a simple buttress to a wall, to introducing the latest technologies such as wire piezometers for monitoring wall stability.

We are open and transparent about our tailings management and you can find a full list of our TSFs and their technical specifications in the tailings section of our website [www.barrick.com](http://www.barrick.com).

In 2018, we conducted independent reviews of our TSFs at Bicroft and Nickel Plate (closed sites), Lumwana and Pueblo Viejo. We also conducted an earth block movement review at Golden Sunlight and attended a third-party review organized by Newmont of the TSF at Kalgoorlie.

**FIGURE 24: CONSOLIDATED WASTE DATA**

000 tonnes	Legacy Barrick	Former Randgold	Consolidated data
Total amount of tailings material deposited	55,935	21,495	77,430
Total amount of waste rock deposited	236,843	76,865	313,708
Waste rock mined	319,216	76,865	396,081
Proportion of waste that is potentially geochemically reactive	108,260 (29%)	0 (0%)	108,260 (23%)
Mercury produced as a by-product/co-product	0.204	0	0.204



*The tailings storage facility at Cortez in Nevada, USA.*

## RIVERINE TAILINGS AT PORGERA

We would not consider a riverine tailings disposal option if a safer disposal solution can be found when planning a new mine.

In 2006, however, Barrick acquired the Porgera mine (PJV) in Papua New Guinea with an existing riverine tailings disposal system. A comprehensive study found no feasible alternative disposal method. The steep terrain, frequent landslides and seismic activity at Porgera mean that controlled disposal to local waterways is the most viable approach from a technical and safety standpoint.

We have resolved to maintain the existing system but with careful pre-treatment of all tailings to improve the physical and chemical properties and rigorous monitoring of downstream water quality. We have built a tailings paste plant so that some of the material can be cemented back into the underground workings, reducing the amount of sediment entering the river by approximately 13% since 2011. Our expanded Group has also committed to investigating options to further reduce sediment loads. Additionally, plans to increase ore production from the underground mine will result in an opportunity to store more tailings in the underground voids in the mine as backfill, thus diverting further tailings from the river.

Results of our extensive environmental monitoring program to date show that the river system is operating as predicted and downstream of the mixing zone water quality and sediment quality are consistent with metal limits for ecosystem protection established by the Australia and New Zealand Environment and Conservation Council (ANZECC). PJV's Annual Environmental Reports have confirmed that dissolved concentrations of all relevant trace metals at monitoring points on the river were lower than the respective criteria. The PJV Annual Environmental Reports are publicly available and independently reviewed by external experts.

To date, the Porgera mine has never exceeded the set thresholds at the compliance point or further downstream and our diligent ecosystem monitoring has shown that there has been very little change in species diversity or abundance.

For more information on Porgera's riverine tailings management please see our website ([here](#) and [here](#)).

Clean drinking water for the residents near Porgera.





## MANAGING HAZARDOUS WASTE



Hazardous chemicals, including cyanide, are a key input for mining processes. We use a risk-based approach to chemicals management, in accordance with each site's EMS, and its Health and Safety Management System.

### Management approach

#### Cyanide

As a signatory to the International Cyanide Management (ICM) Code and member of the International Cyanide Management Institute (ICMI) we follow the prescribed best practices for transporting, storing, using and disposing of cyanide.

All legacy Barrick sites are certified to the ICM Code and all former Randgold sites, which were previously governed by an internal cyanide code, will be certified to it by the end of 2020. Sites are required to re-certify compliance with the ICM Code every three years. We also require all relevant suppliers to be certified.

We conduct regular audits against the ICM Code – this includes testing water discharges and local waterbodies for traces of cyanide and tracking all environmental and health incidents linked to, or potentially linked to, cyanide. We have updated our practices at all sites in accordance with the new requirements from the ICM Code to introduce a red dye into high-strength cyanide solutions so that leaks or spills are more visible. We are fully committed to the safe use of our sodium cyanide product and believe that the changes made by ICMI will contribute to safer handling and use of this substance.

All employees and contractors who handle, transport and dispose of cyanide are provided with specialized training on the safe handling of cyanide. All onsite emergency response teams also receive specialist training and equipment so that any incidents involving cyanide can be safely cleaned up.

#### Mercury

Mercury occurs naturally in the rock at some of our operations and can be released from the ore during processing. Exposure to mercury can seriously damage human health and can even be fatal. We use a variety of controls, including retorts, scrubbers, condensation towers and activated carbon filters to trap mercury vapor before it can be discharged to the atmosphere. Mercury condensation and safe storage are part of our safe practices on site and each relevant site's EMS is aligned with the ICMM position statement on mercury risk management.

Mercury compounds are disposed of at licensed hazardous waste facilities in compliance with the law. Strict handling, packaging and transportation procedures are in place to help protect both people and the environment against mercury exposure during shipping. In 2019, we made our first shipment of stabilized elemental mercury for underground disposal in inactive salt mines in Germany.



Safe transportation of mercury.



## STABILIZING MERCURY FOR SAFE DISPOSAL

The management of mercury is strictly controlled by local and international laws. The Minamata Convention, signed in 2013, further limits the production, use and export of mercury. Barrick has been looking at alternative disposal methods for many years. One of the challenges is the instability of elemental mercury.

In 2017, we selected a company with proven mercury stabilization technology to take responsibility for shipping the mercury across the Atlantic for processing in Europe and then transporting it for final disposal.

After an extensive due diligence process and the completion of risk assessment and permitting processes, the new supplier received the first metal flasks in early 2019 from our Pierina and Lagunas Norte mines in Peru (88Mt Hg) and Veladero mine (430Mt Hg) in Argentina. The mercury was safely transported without any incidents at any stage of the process.

This mercury will be converted to cinnabar in Europe with independent auditors SGS verifying the process. This wet process does not produce air emissions and has benefits for worker safety and the environment over the alternative options. The non-hazardous cinnabar will be packed into steel drums for permanent storage in decommissioned parts of a salt mine where it can be safely stored.



## NON-PROCESSING WASTE

We generate a relatively small amount of non-processing hazardous waste each year, such as batteries, fluorescent lights, waste oils, solvents, electronic waste and laboratory assay wastes. We seek to minimize the amount of non-processing hazardous waste we produce. We look for alternatives to hazardous chemicals and we recycle or use local businesses to facilitate recycling.

Non-hazardous waste streams such as oil, tires or office waste are recycled if facilities are available. However, the remoteness of some of our sites and the lack of recycling infrastructure in many of our host countries means that waste may be sent to landfill or incinerated, either on or off-site.

One of Barrick's commitments is to apply the 'avoid, reduce, re-use and recycle' hierarchy to our non-mine waste. This includes exploring opportunities to increase our recycling, particularly using community-based commercial enterprise that can also create economic opportunities.



## TACKLING PLASTIC WASTE ONE BRICK AT A TIME

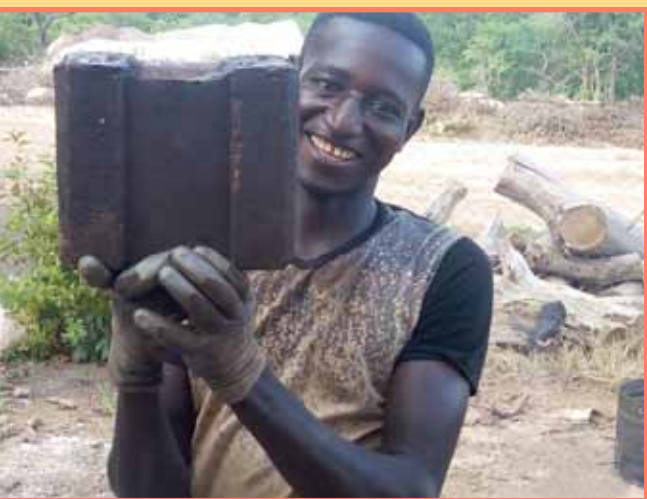
The problems that plastic, and in particular single-use plastics, cause for waterways and the creatures that inhabit them received global attention in 2018. Plastic pollution is also a problem on our mines, where plastic bottles and plastic packaging make up a significant proportion of our general waste stream. Unfortunately, there are no plastic recycling facilities in sub-Saharan Africa, and much of the continent's plastic waste is sent to landfill. In response, three of our mines in this region started work in 2018 to combat the issue – both by devising ways to reduce the plastic waste we produce and working to develop plastic recycling and repurposing programs.

For example, at our Loulo-Gounkoto mine in Mali, we have focused on how to recycle plastic into products that meet community needs. The aim is to not only reduce the amount of plastic sent to landfill but also to create a sustainable community development project and business.

During 2018, we worked with members of the community to smelt the plastic packaging from the lime used on site and combine it with sand to create paving stones and building bricks for use in construction. Resistance tests showed that our plastic and sand bricks weigh approximately 9.3kg and have a resistance of almost 198 Kilo Newton (KN). Remarkably, this makes them lighter yet significantly stronger than regular bricks. Full safety precautions are taken so that workers are not exposed to noxious fumes or put at risk from burns during the process.

The next phase of this project is to assess the economic and health risks of plastic bricks compared to cement bricks, before working to scale up the project and facilitate the development of a community enterprise.

At the same time, we will use the plastic bricks to build an example show home.



## 2018 Performance

In total, the two legacy Companies used 29,369 tonnes of cyanide in 2018. There were no breaches of either the ICM Code used at legacy Barrick sites, or of the internal cyanide code followed at former Randgold sites.

In 2018, legacy Barrick captured and stored 203.77 tonnes of mercury at our mine sites.

FIGURE 25: TOTAL WASTE BY TYPE

Tonnes	Former Randgold sites <sup>1</sup>
<b>Total waste generated<sup>2</sup></b>	<b>16,400</b>
Hazardous waste	7,200
Organic waste	1,580
Inorganic waste	7,620
<b>Total waste sent for final disposal<sup>2</sup></b>	<b>221,830</b>
Recycled (including stored waste)	215,820
Landfilled	2,690
Incinerated	3,320

<sup>1</sup> Legacy Barrick sites did not gather non-processing waste data at a Group level. For the consolidated Company, we will report data on non-processing waste in 2019.

<sup>2</sup> Variance between waste generated and waste sent to final disposal is due to an increase in recycling of stored material at Loulo-Gounkoto and Kibali.

## TARGETS FOR 2019 AND BEYOND

Certify all sites to the  
**International Cyanide  
Management Code**  
(ICMI) by end of 2020



Update the Barrick  
**Tailing and Heap  
Leach Management  
Standard**

to ensure its relevance to the  
expanded Group



Complete at least  
**3 independent third party reviews**  
of TSFs per year

Apply the  
**'avoid, reduce,  
re-use and  
recycle'**

hierarchy to our  
non-mine waste to drive up  
recycling rates at each mine



## CLIMATE CHANGE

Climate change and the transition to a low carbon future bring physical, regulatory and reputational risks for us and for the mining industry in general. More severe weather events could affect the stability of infrastructure, and changes in climate-related regulation affect the cost of water and energy supplies. Climate change brings opportunities too, with significant cost advantages from reducing our energy usage or maximizing renewables.

### Management approach

We understand the important link between energy use and climate change. By effectively managing our energy use, we are able to reduce our greenhouse gas (GHG) emissions, achieve more efficient production, reduce our draw from local energy grids and save a significant proportion of our direct mining costs. Managing our energy use is therefore a business imperative.

Each site has in place an energy plan tailored to its needs and location. The main types of activity implemented by these plans include:

- Improving energy efficiency and reducing energy waste. For example:
  - Employing fewer energy-intensive processing technologies such as replacing trommel screens with vibrating screens at our Loulo-Gounkoto complex
  - Installing sensors underground at Kibali and Loulo-Gounkoto to automatically switch off lighting and ventilation when no workers or machinery are present
- Increasing use of renewable energy. For example:
  - Enabling 64% of the energy needs of our Kibali mine to be met by three hydropower stations, in a region where water is abundant
  - Introducing solar power to our Loulo-Gounkoto complex
- Use of energy sources with lower greenhouse gas emissions. For example:
  - Connecting the Veladero site in Argentina to the Chilean national grid (with its large renewables component) via Pascua-Lama
  - Optimizing energy infrastructure at our Tongon mine to increase draw and stability of supply from the national grid (which has a large hydropower component) and therefore reduce reliance on back-up generators run on diesel
  - Using waste heat recovery systems to achieve higher efficiencies from the natural gas-fired generators at our Nevada site and at the Pueblo Viejo off-site power plant

*Tongon draws on a connection to Côte d'Ivoire's national grid which is 50% hydro and 50% gas power sourced.*



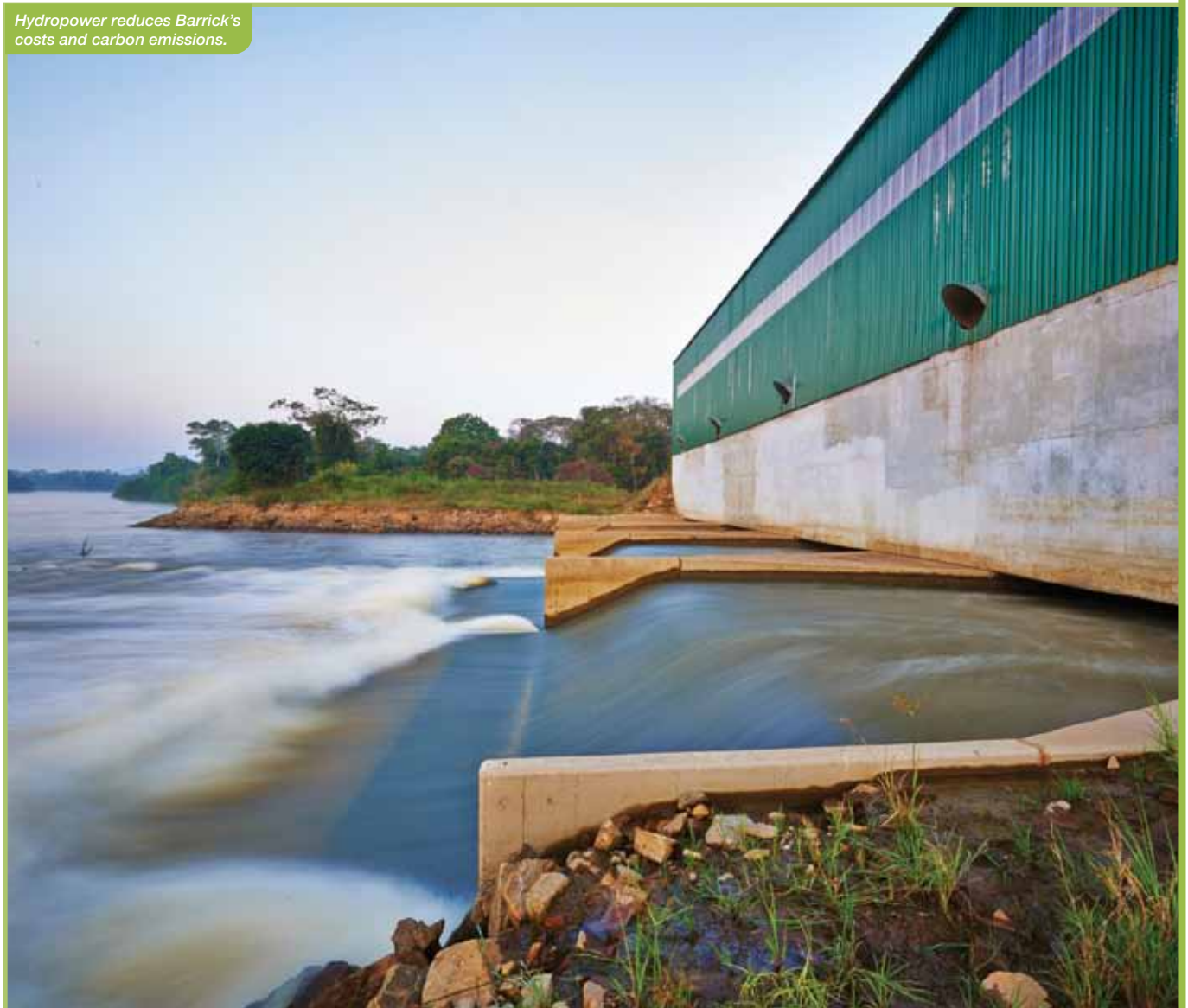


As part of our approach to climate change, we are committed to assessing and understanding our climate-related risks and opportunities.




A Company-wide risk assessment by Barrick before the merger identified our key climate-related risks as an increase in extended duration precipitation events and greater regulation to curb greenhouse gas emissions. In addition, we identified increased global investment in innovation and low-carbon technologies as a key opportunity. The climate-risk assessment will be repeated in 2019 as part of the process to update our climate change targets to reflect our new portfolio.

As part of our ongoing commitment to manage our climate-related impacts, in 2019 we aim to set a greenhouse gas emissions reduction target for our expanded Group based on climate science. We want to contribute our fair share of the carbon reductions needed to avoid catastrophic climate change while also accommodating the economic development and poverty reduction needs of our developing world host countries. This will be a significant undertaking for our Company and will require detailed data analysis and scenario modeling.

*Hydropower reduces Barrick's costs and carbon emissions.*



**FIGURE 26: SUMMARY OF THE RISK AND OPPORTUNITY ASSESSMENTS CONDUCTED ON LEGACY BARRICK SITES**

Risk	Rating	What could happen	What could it lead to	Sample mitigating activities
	VERY HIGH	Increase in extended duration (monthly) extreme precipitation events	<ul style="list-style-type: none"> <li>Process/storm water/tailings pond overflow or complete failure</li> <li>Injuries/fatalities, asset/infrastructure damage, environmental damage</li> <li>Leach pad acidification (dewatering issues)</li> <li>Power shortages/production disruptions</li> <li>Supply chain disruptions</li> <li>Pit slope failure; landslides</li> </ul>	<ul style="list-style-type: none"> <li>Expand storm surge pond capacity</li> <li>Update water balance models</li> <li>Geotechnical monitoring of leach pads and waste dumps</li> <li>Concurrent closure and remediation activities</li> </ul>
	VERY HIGH	Increase in climate change regulations to limit greenhouse gas emissions in countries where Barrick operates	<ul style="list-style-type: none"> <li>Increased operational costs related to fuel and electricity consumption</li> <li>Increased costs of raw materials</li> <li>Compliance and reporting requirements to regulators</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring legislative developments in host countries</li> <li>Lower carbon intensity of mining operations</li> <li>Adopted internal shadow price of carbon of \$25/tonne</li> </ul>
	HIGH	Opportunity for increase in global investment in innovation and low carbon technologies	<ul style="list-style-type: none"> <li>Barrick benefits from decreased cost to deploy innovative low-carbon technologies (eg electrification, biofuels, renewable, in-situ leaching)</li> <li>Increased capital availability to invest in low-carbon technologies (eg climate change funds)</li> <li>Research and development in low carbon technologies for the mining sector</li> </ul>	<ul style="list-style-type: none"> <li>Monitor trends in low-carbon technologies</li> </ul>

**FIGURE 27: WHERE DO OUR EMISSIONS COME FROM?**

Approximately 89% of our greenhouse emissions are ‘Scope 1’ emissions - ie direct emissions from our burning of fuel or processes such as the manufacture of lime to neutralize acidic ores or roasting of carbon-containing ores. We also have ‘Scope 2’ emissions – ie indirect emissions associated with the electricity we purchase from national grids.

**SOURCES OF GREENHOUSE GAS EMISSIONS**

000 tonnes CO <sub>2</sub> e	Legacy Barrick	Former Randgold	Consolidated
Diesel	1,235	630	1,865
Industrial processes	1,306	-	1,306
Heavy fuel oil	801	191	992
Natural gas	577	-	577
Purchased electricity	572	52	624
Other	52	35	87
Propane	26	-	26
Light fuel oil	-	20	20
Waste	-	10	10
Explosives	11	5	16
Gasoline	9	-	9
Biodiesel	6	-	6
<b>Total emissions</b>	<b>4,595</b>	<b>943</b>	<b>5,538</b>

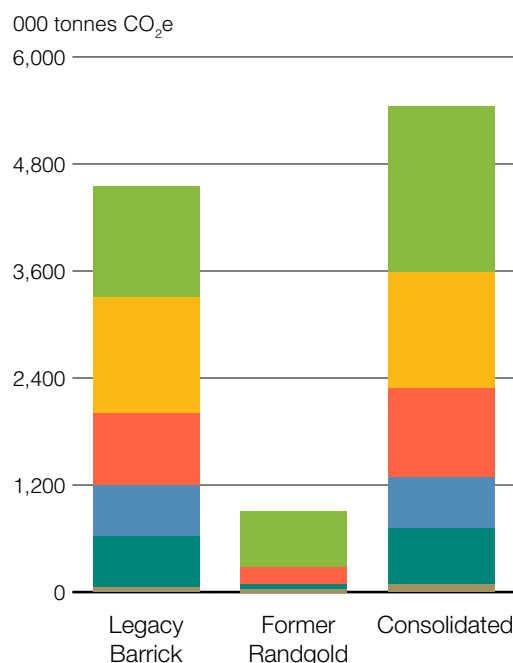
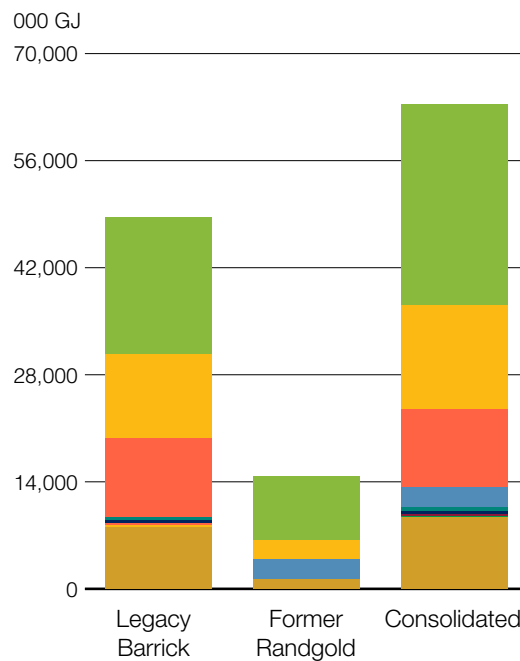


FIGURE 28: ENERGY CONSUMPTION BY TYPE

000 GJ	Legacy Barrick	Former Randgold	Consolidated
Diesel	17,822	8,468	26,290
Heavy fuel oil	11,108	2,455	13,563
Natural gas	10,274	-	10,274
Light fuel oil	-	2,583	2,583
Explosives	404	98	502
Propane	409	-	409
Biodiesel	342	-	342
Gasoline	132	4	136
Electricity	8,102	1,190	9,292
<b>Total energy consumption</b>	<b>48,593</b>	<b>14,798</b>	<b>63,391</b>



## Disclosure

We are committed to transparency on climate issues. One of our first reporting activities as a merged Company will be to complete the CDP emissions questionnaire in 2019 which makes investor-relevant climate data widely available. The CDP also aligns with the reporting recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD).

We are committed to making these disclosures on an annual basis while continuously improving public disclosures.

**CASE STUDY**

## REDUCING THE CARBON INTENSITY OF POWER IN THE DOMINICAN REPUBLIC

The Pueblo Viejo mine in the Dominican Republic is our biggest single source of emissions, accounting for 43% of the consolidated Group's total Scope 1 emissions. The mine is one of the largest in the world and is powered by an off-site heavy fuel oil power plant.

The power plant is being converted to run on natural gas by the end of 2019. This should assist the mine to reduce greenhouse gas emissions by more than a hundred thousand tonnes of CO<sub>2</sub>e per year, as well as cutting energy costs. Since the plant also serves the national grid, this change will also help to reduce the carbon intensity of the country as a whole.



**CASE  
STUDY**

## **INVESTING IN HYDROPOWER IN THE DRC**

Our Kibali mine in the north-east of the DRC is located far beyond the reach of the limited national grid. But this tropical region does have numerous rivers and an eight-month annual rainy season, making hydropower an attractive energy source. We have built three 'run of the river' hydropower stations, which use the natural flow of the river rather than containing it behind a dam.

These provide up to 42MW of electricity in the rainy season and about 14MW during the dry season. Overall, approximately 65% of Kibali's total annual energy needs are met by hydropower, with the remainder by diesel generators. As a result of the hydropower, the average cost of power at Kibali has fallen by 74%.

After the mine ceases to operate, the hydropower stations will be transferred to the Government and integrated into the national grid.

*The 10MW Azambi  
hydropower station at Kibali.*





## THREE-YEAR PAYBACK PERIOD MAKES SOLAR VIABLE AT LOULO

Our Loulo-Goukoto complex is situated near the Senegalese border in the west of Mali. As the mine is too remote to be connected to the Malian electricity grid, energy is provided by heavy fuel oil and diesel-fired thermal generators.

The area receives plenty of sunlight and the falling costs of photovoltaic panels means a solar energy plant can now satisfy our investment criteria of 20% IRR. A project to build a 24MW solar power plant went to tender at the end of 2018, with the aim to have it running by 2020. The project is expected to cost \$20 million, with a payback period of barely three years.

We expect the solar plant will meet approximately 40% of Loulo-Goukoto's energy needs during the day, and 12% of the site's overall energy demand. The site's energy bill will be cut by around 2 cents/kWh and 11.5ML of fuel will be saved over the Life of Mine.

These efforts will reduce our annual greenhouse gas emissions by approximately 11,000Mt of CO<sub>2</sub>e per annum and reduce our diesel bill by \$6.7 million each year.



## 2018 Performance

### Energy

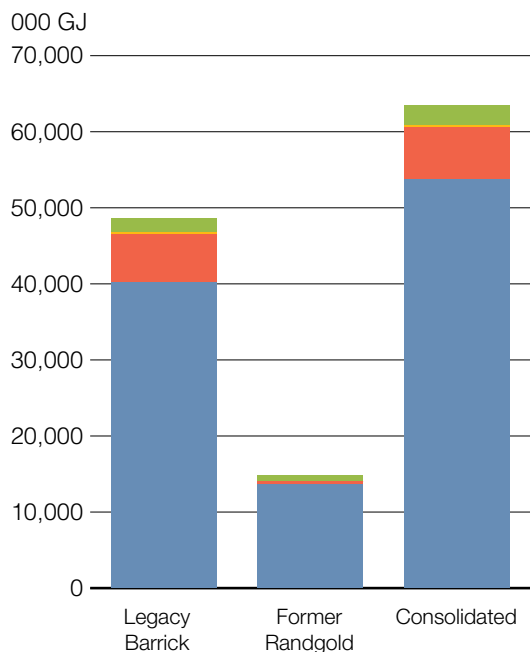
The total energy use of the two legacy Companies in 2018 was calculated at 63.4 million GJ. Taken together the two legacy Companies also used more than 2.8 million GJ of renewable energy<sup>1</sup> in 2018 (4% of energy consumed). Total energy use per tonnes of ore processed was 0.48GJ. In addition, Barrick sold more than 25,000GJ of non-renewable electricity back to the grid.

The former Randgold's usage of hydropower increased from 16% to 21% of its total energy consumption during 2018, as a third run-of-the-river station at the Kibali mine came on line. 12% of the total power used by former Randgold was drawn from the national grid, down from 29% in 2017. This was due to grid instability issues at the Tongon mine, which resulted in a significant increase in the use of back-up diesel generators. In late December 2018, a second power line through western Côte d'Ivoire was installed which should improve national grid stability and reduce the need for back-up generators at Tongon in the future.

<sup>1</sup> Includes renewable electricity produced and consumed, renewable fuels and purchased electricity offset with Portfolio Energy Credits in Nevada.



FIGURE 29: ENERGY CONSUMPTION



000 GJ	Legacy Barrick	Former Randgold	Consolidated
Renewable electricity	1,744	762	2,506
Renewable fuel	342	-	342
Non-renewable electricity	6,358	428	6,786
Non-renewable fuel	40,149	13,608	53,757
<b>Total energy consumption</b>	<b>48,593</b>	<b>14,798</b>	<b>63,391</b>



Barrick's Punta Colorada wind farm in Chile's Coquimbo region, near Pascua-Lama, supplies enough energy for 10,000 families.

### Greenhouse gas emissions

Barrick's Climate Change Strategy before the merger set a goal to keep Scope 1 and 2 emissions flat in the short term, and to achieve a 30% reduction by 2030, against a 2016 baseline. In 2018, its Scope 1 emissions were 3,971,000Mt CO<sub>2</sub>e and its Scope 2 emissions were 0.57Mt; these emissions were comparable with 2017 and in line with the target. More detail on the former strategy is available in the Company's quarterly financial filings from 2018, which included information reported in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

At former Randgold sites, total greenhouse gas emissions increased by 4% during 2018. This reflects the issues identified in the energy section, where the emission reductions achieved through the use of hydropower at Kibali were offset by the increased use of diesel generators and an increase in the volume of ore processed. Despite this increase, the Company did achieve a 3% improvement year-on-year in the emissions intensity per tonne of ore processed and a 7% reduction against their base year target of 46.15 CO<sub>2</sub>e/kt ore processed.

FIGURE 30: SCOPE 1 AND 2 EMISSIONS, COMBINED COMPANIES<sup>1</sup>

000 tonnes CO <sub>2</sub> e		2016	2017	2018
	Scope 1	741	783	856
Former Randgold	Scope 2	89	87	52
	Scope 1	4,001	4,030	3,971
Legacy Barrick <sup>2</sup>	Scope 2	530	514	572
<b>Total</b>	<b>Total</b>	<b>5,361</b>	<b>5,414</b>	<b>5,451</b>

<sup>1</sup> Scope 2 emissions are reported using the location-based approach. Using the market-based approach, which takes account of Portfolio Energy Credits in the state of Nevada, legacy Barrick emissions would be 517kt in 2018. Former Randgold Scope 2 emissions are the same under either approach. Additionally, both legacy Barrick and former Randgold had 'outside of scopes' emissions associated with consumption of biofuels. For 2018, these were 17,990 and 1,923 tonnes of CO<sub>2</sub>e, respectively.

<sup>2</sup> Please note Barrick restated its historical data following changes to the methodology to capture a wider scope of industrial emissions, updated conversion factors and to include emissions from smaller contributors (such as gasoline). Certain joint venture properties were also not included in Barrick's previous reporting. Following these changes and comparing like-to-like total 2018 emissions were 4.543Mt CO<sub>2</sub>e and 2017 emissions were 4.544Mt CO<sub>2</sub>e.

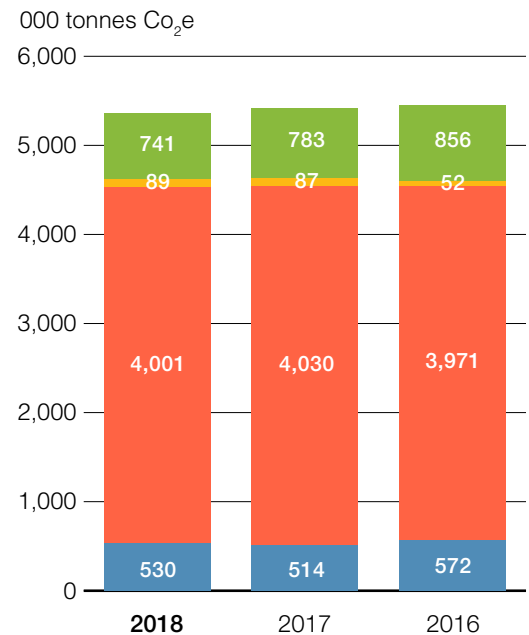


FIGURE 31: GREENHOUSE GAS EMISSIONS (SCOPE 1 AND 2), COMBINED COMPANIES

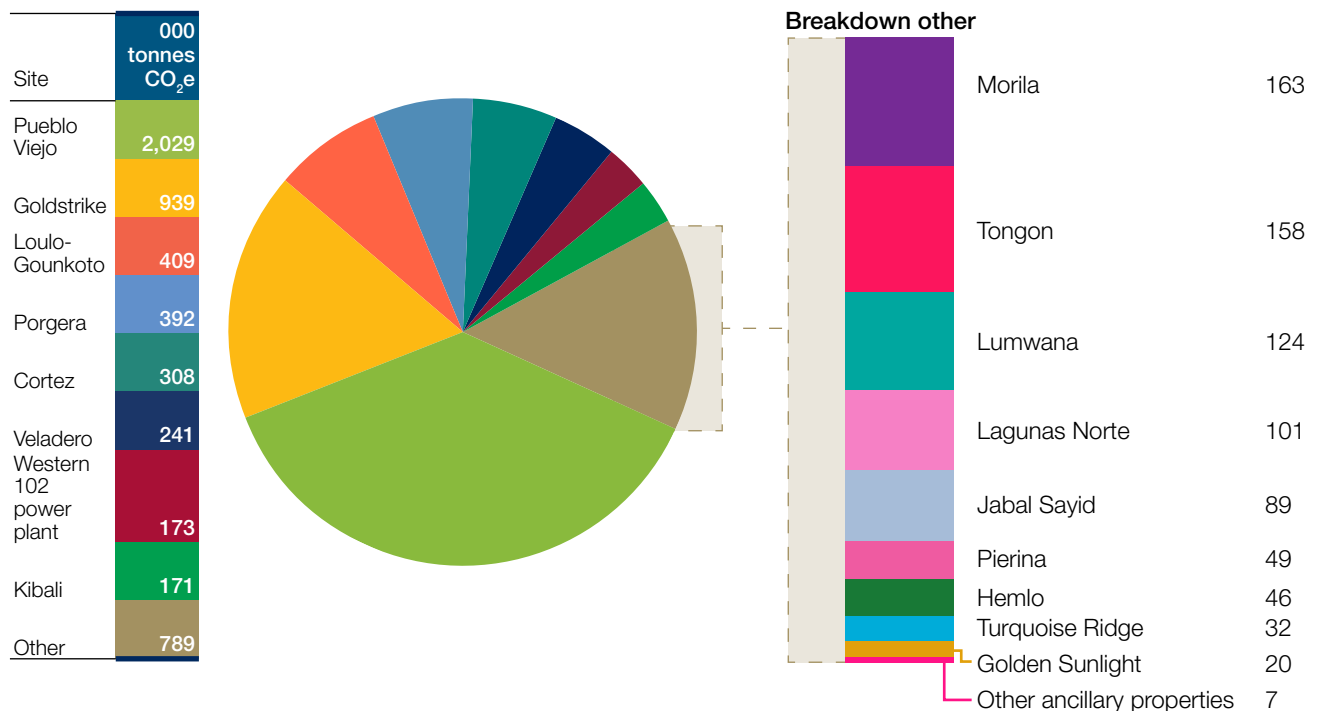
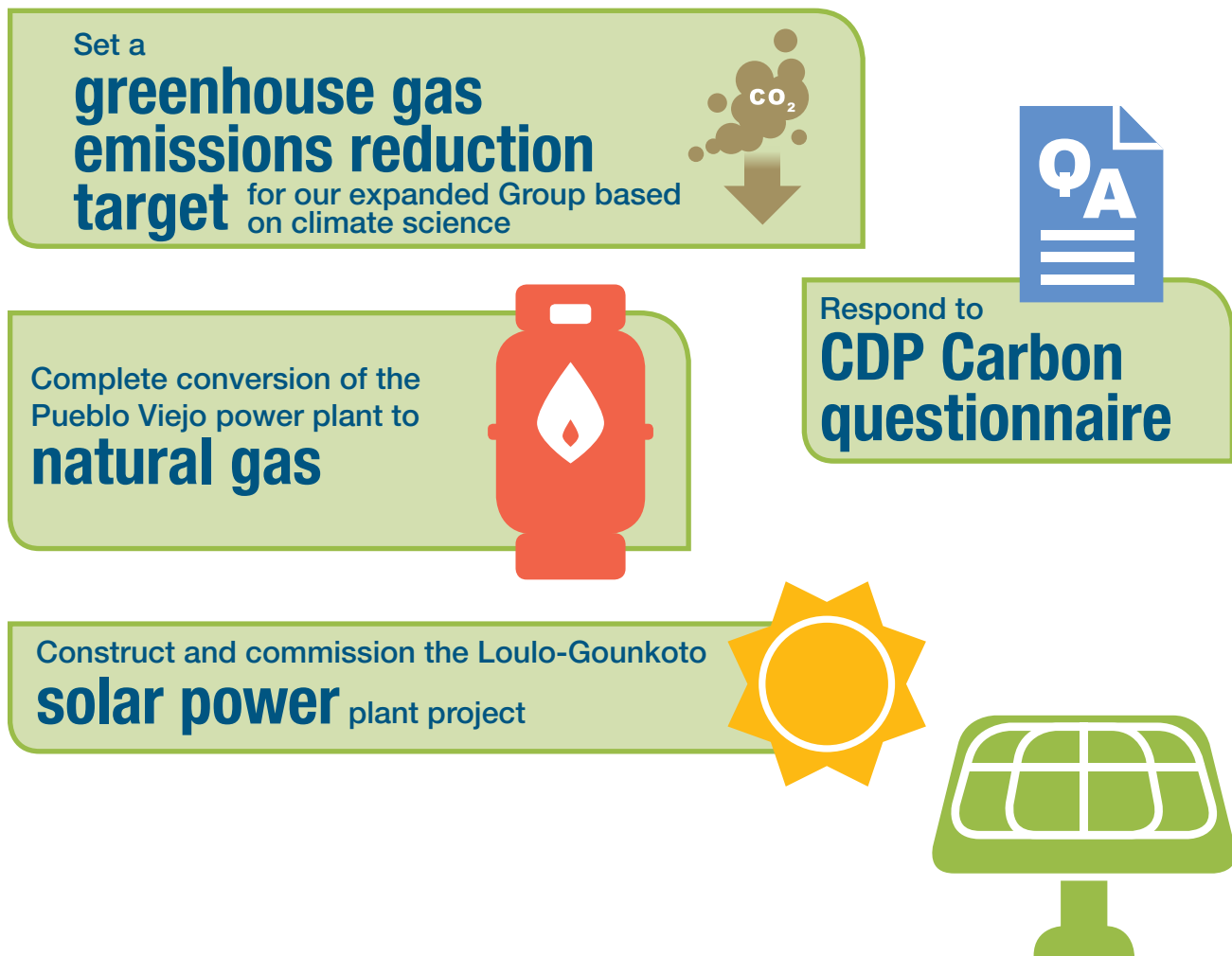


FIGURE 32: SCOPE 3 EMISSIONS

000 tonnes CO <sub>2</sub> e	Legacy Barrick	Former Randgold	Consolidated
Upstream transportation and distribution	Not reported	26	26
Fuel and energy related activities	580	Not reported	580
Business travel	5	10	15
Purchased goods and services	Not reported	90	90
Reported Scope 3	585	125	710

In 2018, legacy Barrick only reported Scope 3 emissions for corporate flights booked through a central travel agency, the ‘well-to-tank’ emissions relating to production of the fuels we use and the transition and distribution of electricity. In 2019, we intend to expand our Scope 3 greenhouse gas reporting. Considering emissions in our value chain which are not under the operational control of the Company, we will focus on ‘upstream’ emissions associated with our suppliers and identify the largest contributors to our overall carbon footprint. Going forward, we will work with suppliers and other third parties to reduce emissions based on this prioritization.

## TARGETS FOR 2019 AND BEYOND





“ The areas around many of our sites are teeming with wildlife such as monkeys, frogs, bats, birds and lizards, some of which are threatened. It’s only right that we strive to protect the habitats these animals rely on. ”

*Gail Ross, Group Biodiversity Manager*

## BIODIVERSITY

Biodiversity, that is the rich variety of plant and animal life, is crucial for many of the natural services our mines and surrounding communities rely on, from purifying water to regulating the climate. Biodiversity is also a key concern for our employees and the wider local community, for whom the indigenous flora and fauna are an integral part of their identity. But mining has an undeniable impact on the natural environment that we are committed to managing and minimizing.

At a biodiversity strategy session held shortly after the merger, key biodiversity risks identified included reductions in water quality or quantity, impacts on protected species and areas and habitat fragmentation. Such risks could affect our social license to operate and reputation. Opportunities identified included supporting training for local people on habitat management such as alternative farming techniques, attracting wildlife back to our mine sites, providing an alternative livelihood to hunting protected species and intensive logging together with contributing to the pool of knowledge on the local ecology.

### Management approach

We place a high priority on biodiversity. Our vision is to play a positive role in the management of the biodiversity in the areas in which we operate, and our approach is set out in an updated Biodiversity Policy. The policy explicitly restricts us from exploring, mining, drilling or otherwise operating in declared natural World Heritage Sites and places tight controls on activities in adjacent areas.

Our approach is informed by international best practice, such as the guidelines set by the International Union for Conservation of Nature (IUCN) and ICMM and we use a mitigation hierarchy to minimize biodiversity impacts. This guides our decision-making process for any new project or significant expansion.



FIGURE 33: EXAMPLES OF ECOLOGICALLY SENSITIVE SITES

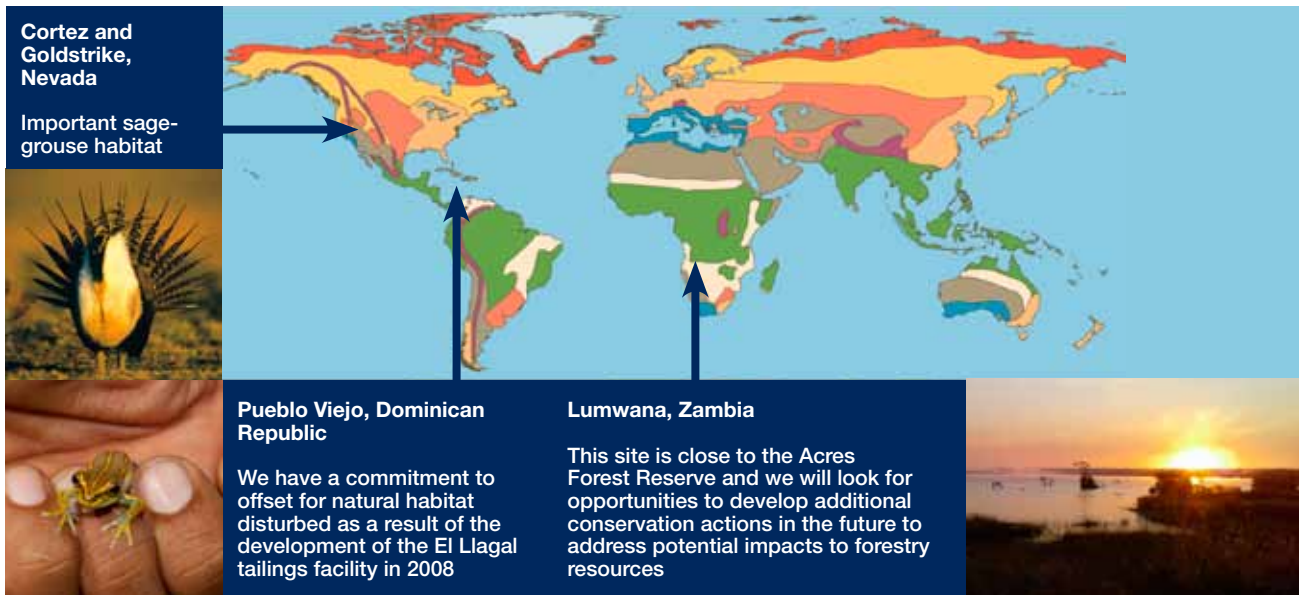
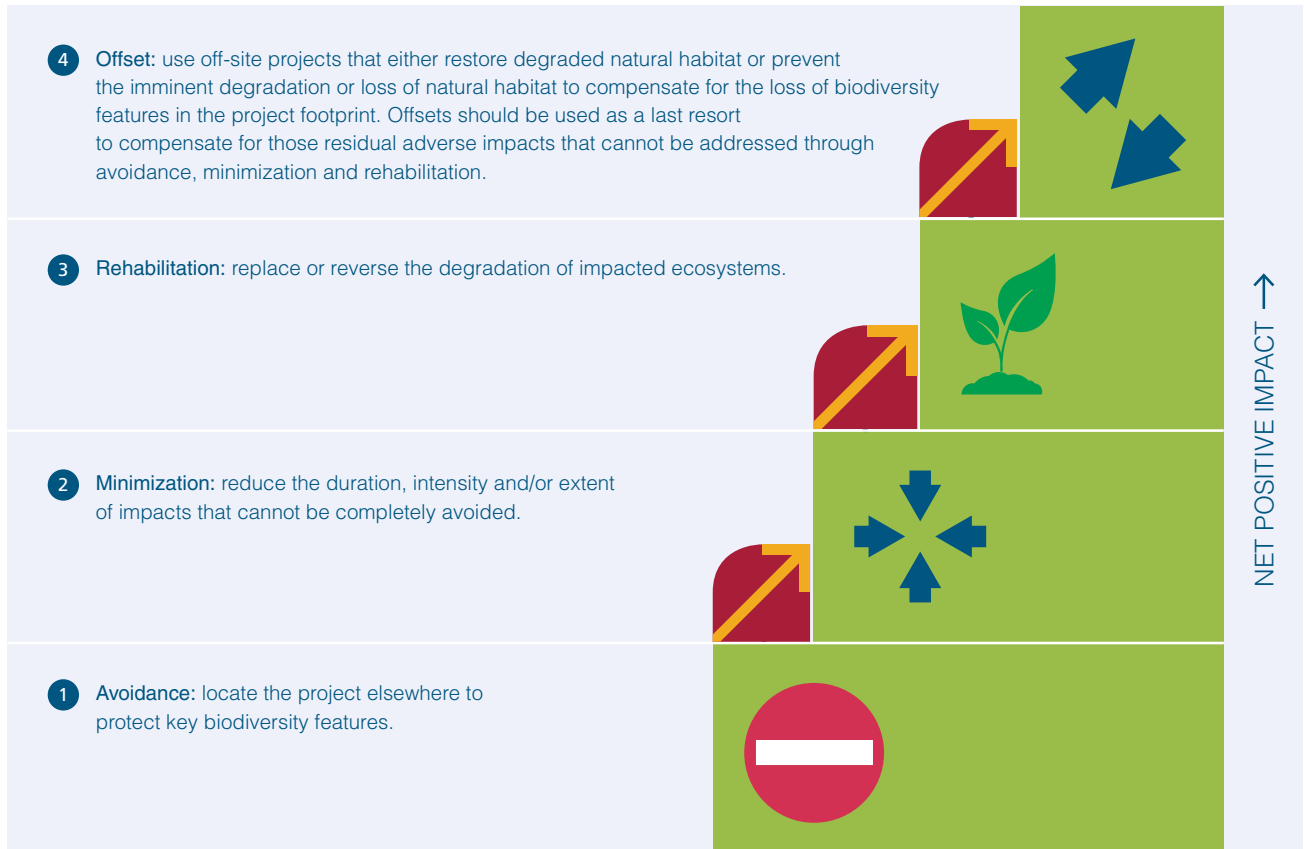


FIGURE 34: MITIGATION HIERARCHY APPLIED TO BIODIVERSITY



Key features of our management of biodiversity include:

- Before we develop a new site or significantly expand an existing one, we screen the area for Key Biodiversity Features (see callout). This sets the 'biodiversity baseline' against which impacts can be measured. We are supported in this by independent consultants, as part of the Environmental & Social Impacts Assessment process undertaken for any new project. We then conduct a formal risk assessment of direct and indirect impacts of our planned operations on these features.
- We implement measures to manage key risks in accordance with the mitigation hierarchy, as well as any measures required by regulation.
- We strive for concurrent rehabilitation. That is, we remediate areas as we go along at operational mines. At some sites this includes establishing nurseries of native trees and storing topsoil for site restoration.
- We identify opportunities to promote biodiversity conservation in the local landscapes and implement appropriate measures in partnership with local authorities, communities and conservation groups.
- We conduct ongoing monitoring of key biodiversity features and regularly evaluate our approach. In 2018, for example, our environmental teams at Veladero in Argentina and exploration sites in Chile started tracking outbreaks of mange – a skin disease - in guanacos (a member of the llama family) to assist in the understanding of an outbreak of the disease.
- To implement our Biodiversity Policy each of our sites will formulate a Biodiversity Action Plan (BAP) in the coming years. These BAPs will contain an inventory of Key Biodiversity Features and species present around a site, set a 'biodiversity baseline' if one can be established, and targets for biodiversity protection and habitat rehabilitation. They will also specify the resources required to put the plan into action and will identify key institutional and local community partnerships that will aid the implementation and review of the plan.
- All former Randgold sites already have detailed BAPs in place to manage local biodiversity protection and restoration. Based on the sensitivity of the local environment, we have prioritized four legacy Barrick sites (Pueblo Viejo, Cortez, Goldstrike and Lumwana) where we will develop and implement BAPs in 2019. We have set a corporate target to have BAPs in place for all of our operational sites by the end of 2021.
- In 2019 we will develop refresher training for site environmental managers, tailored to the local conditions, on the new Biodiversity Policy. This will include guidance on how the implementation hierarchy should be implemented and fully documented, together with the process to be followed when conducting annual aquatic assessments.

Land rehabilitation at Morila.



## KEY BIODIVERSITY FEATURES (KBFs)

KBFs are species, habitats or ecosystem services of conservation priority. For example, species of conservation priority are those identified as threatened on national or state lists of threatened species, the IUCN Red List, or where globally significant concentrations of species utilize the site. We take a precautionary approach; for example, our work with sage-grouse in Nevada supports a species that has experienced declining numbers but is not currently listed as threatened.

## WHAT IS A NET NEUTRAL BIODIVERSITY IMPACT?

Our corporate Biodiversity Policy states that where practicably possible we will seek to achieve a net neutral biodiversity impact for any ecologically sensitive environments we affect.

Net neutral biodiversity impact may be a simple concept in principle - 'no overall loss of biodiversity due to our activities' but it is complicated to implement in practice. The idea is that, after passing through all stages of the Mitigation Hierarchy - avoid, minimise, rehabilitate - any remaining unavoidable impacts our activities have on the KBFs near one of our sites will be balanced by an 'equal' amount of biodiversity being restored or protected elsewhere, an 'offset'.

We adopt the IUCN's (2016) definition of biodiversity offsets as, 'measurable conservation outcomes resulting from actions designed to compensate for significant residual adverse biodiversity impacts arising from project development after appropriate prevention and mitigation actions have been taken'. When we start planning operations at a new location, we work to establish a baseline and account for potential impacts to Key Biodiversity Features. We are then able to offset losses, as a last resort.

However, older sites may lack sufficient baseline data from which to measure losses and so instead we must look for opportunities to improve other aspects of biodiversity in the region. The uncertainty due to the lack of data leads us to implement Additional Conservation Actions, striving to over compensate rather than risk taking too little action. Additional Conservation Actions, as defined by the Cross-Sector Biodiversity Initiative (2015), are interventions that are beneficial to biodiversity in general, but are not necessarily measurable or target the same type of biodiversity as has been impacted by the project. An example of these programs would be where we are supporting protected areas such as the Garamba National Park in the DRC.

Our in-house biodiversity experts are working to determine exactly what net neutrality means for us. There are no easy answers, but we are committed to the principle of doing no overall harm to the unique features of our natural world.

## 2018 Performance

We did not have any major wildlife mortality events at our operations in 2018<sup>1</sup>. At the end of 2018, the total amount of land disturbed but not yet rehabilitated at mine sites across both legacy Companies combined was more than 48,000 hectares. Approximately 795 hectares were rehabilitated during the year, some with native plants grown in onsite nurseries, such as at Loulo-Goukoto and Pueblo Viejo.

Former Randgold planted more than 52,000 native and endemic trees as part of rehabilitation efforts. The Company also continued to develop its support for biodiversity conservation programs at the Garamba National Park in the DRC, Niokolo Koba Park in Senegal, the Comoe National park in Côte d'Ivoire and the Mali Elephant project.

<sup>1</sup> 'Major' is defined as an event in which five or more wildlife mortalities occur due to a single unwanted event or a single mortality occurs five or more times during a calendar year due to mine-related circumstances that are similar.



Members of the Barrick team on a biodiversity assessment near Pueblo Viejo.



Revegetation of natural flora at Porgera.





**FIGURE 35: AREA OF LAND DISTURBED OR REHABILITATED**

Hectares	Legacy Barrick	Former Randgold	Consolidated
Total land disturbed and not yet rehabilitated at start of reporting period	28,084	16,825	44,909
Total amount of land newly disturbed within reporting period	4,240	129	4,369
Total amount of land newly rehabilitated within reporting period	(546)	(249)	(795)
Total land disturbed and not yet rehabilitated at end of reporting period	31,778	16,705	48,483

**FIGURE 36: OPERATIONS NEAR PROTECTED AREAS OR AREAS OF HIGH BIODIVERSITY VALUE**

Site	Protected areas	Areas of high biodiversity value
Alturas	Within 15km of the San Guillermo Man and Biosphere Reserve	
Hemlo	10-15km from White Lake Provincial Park (IUCN Cat II)	
Lagunas Norte		Within a Biodiversity Hotspot and Endemic Bird Area
Lama; Veladero	Both are in the multi-use area of San Guillermo Man and Biosphere Reserve. The nucleus of the Reserve is also an IUCN Cat II Protected Area	Within a Key Biodiversity Area
Lumwana	Within 10km of the Acres Forest Reserve (IUCN unclassified Protected Area)	Within a High Biodiversity Wilderness Area
Pierina	Between 5-10km from the Huascaran National Park declared in 2009	Within a Biodiversity Hotspot Endemic Bird Area
Pueblo Viejo	Infrastructure crosses Aniana Vargas National Park declared 2009	Within a Biodiversity Hotspot and Endemic Bird Area
Turquoise Ridge	Between 5-10km from the Osgood Mountain Milkvetch Habitat (IUCN Cat V)	
Porgera		Within an Endemic Bird Area and High Biodiversity Wilderness Area







## **PARTNERSHIPS FOR PROTECTION**

We work with environmental groups, local authorities and communities to deliver positive biodiversity impacts. Over the last six years the legacy Companies have invested over \$4.3 million in biodiversity conservation projects in the US and Africa.

### **Conserving sage-grouse habitats in the US**

Barrick has been developing a program with the US Department of the Interior to offset the loss of sage-grouse habitat resulting from our operations. We pinpoint key areas for restoration using a process developed by The Nature Conservancy, an environmental NGO, under the terms of the Bank Enabling Agreement (BEA) signed in 2015. In accordance with this agreement, over the next 35 years, we will maintain habitat for sage-grouse and other wildlife across more than 400,000 acres of land which we manage.

During 2018, Barrick restored over 4,000 acres of land to improve habitat for sage-grouse in Nevada. Restoration actions included tree thinning, seeding and planting, treating weeds, protecting meadows and installing fuel breaks. In total we spent \$1.8 million in 2018 on conservation actions under the BEA.



This solution brings substantial benefits to support the conservation of this ‘near threatened’ bird, and regulatory assurances to our Company.

“Right now, we lose a lot more habitat in the Great Basin each year to unnatural wildfires and invasive weeds than we’re able to restore,” says Liz Munn, the Conservancy’s Nevada Sagebrush Ecosystems Program Director. “Dramatically increasing the scope and scale of restoration in the sagebrush sea is one of our top priorities, but it’s something we definitely can’t do alone. Seeing a landowner implement a project of this size gives me hope. The reality is this project is the first of many that will be needed across the landscape, and it will take a collaborative effort to make a lasting difference.”

### **Supporting the Garamba National Park in DRC**

We are proud to continue Kibali’s legacy as the only major corporate funder of the Garamba National Park in the DRC. Garamba is one of Africa’s oldest national parks, designated in 1938, and in 1980 was declared a UNESCO World Heritage Site.

Garamba is home to the country’s largest population of elephants and its only remaining Kordofan giraffe, a critically endangered species. With its mix of grassland savannah and dense dry forest, the park also has buffalo, hartebeest, hippos, leopards, chimpanzees and more than 340 species of birds.



Incursions by heavily armed illegal poachers in this war-torn region pose a constant threat to the park's wildlife and local communities. Providing training for park rangers and tracking technology to enable rangers and researchers to monitor animal movements are key tools in combating poaching. Since 2014, we have provided more than \$1 million in support of projects to protect wildlife in the park some of which include:

- \$240,000 for elephant tracking collars and anti-poaching flights
- \$250,000 to fund a Kordofan giraffe monitoring team
- \$360,000 to support construction of bridges and infrastructure within the park to improve ranger access and emergency response rate and to support sustainable tourism

The results speak for themselves. Through the efforts of the rangers and researchers, elephant poaching is down by 98% since 2016 and no giraffe has been poached since 2017. There are now 55 Kordofan giraffes in the park, up from 38 in 2016.



In 2018, Kibali drilled water boreholes for the local community and provided logistics for helicopter ranger patrols. In 2019 we will be helping the park's management team set up cocoa as a sustainable source of income for the local people, in addition to assisting with an expansion of the elephant collaring and monitoring program.

## Helping safeguard natural world heritage

Niokolo Koba Park (PNKK) is a world heritage site located in the south east of Senegal near to our Massawa project. The park is home to a remarkable range of flora and fauna including an estimated:

- 70 species of mammal
- More than 300 types of bird
- 36 species of reptile
- 20 species of amphibian
- More than 1,500 important plant species
- 78% of Senegal's gallery forest

It is also home to lions, elephants, leopards, chimpanzees and African wild dogs, as well as the Derby Eland – the largest antelope in the world. However, under-investment and general degradation has meant that since 2007 the park has been listed as an endangered world heritage site.



Alongside the development of a Biodiversity Action Plan for our Massawa site, we have been investigating potential support for

projects at PNKK. No aerial survey of the park had been conducted since 2006, inhibiting understanding of the distribution of species and the overall state of the park. During 2018 we worked with park authorities to commission an independent and integrated aerial and ground survey of the park, to count animal species and numbers and better understand the threats to the park. We provided \$100,000 of funding, providing for an aerial survey of 4,306km, a camera survey with 77 traps, a ground vehicle survey of 1,737km and a ground foot survey involving 15 teams.



**CASE  
STUDY**  
(CONTINUED)

The survey found that a good diversity of wildlife remains at PNKK, particularly of large mammals, although no elephants were sighted and the wild dog population seems to be in decline. It also showed the park faces significant threats from poaching and illegal mining. Bushfires remains a serious problem, with 36 fires spotted by the aerial survey. Plotting human and animal population densities on a map reveals the stark impact of human activity.

These findings are helping various park stakeholders assess the effectiveness of the current conservation programs. The data will also be used by the IUCN to evaluate the progress of the park towards being removed from the endangered list and it will inform the Senegalese Government's response to the IUCN's recommendations. The report will also be integrated into the Massawa site's Environmental and Social Impact Assessment.

## **Headwaters of the Strickland and Kaijende Highlands conservation areas**

As part of a public-private partnership in Papua New Guinea, we have been supporting work to recognize the Headwaters of the Strickland and the Kaijende Highlands as two conservation areas.

The Headwaters of the Strickland area spans 182,000 hectares of lower montane forest, while the Kaijende Highlands cover 144,000 hectares of montane forest and sub-alpine grassland. Biodiversity surveys sponsored by Barrick Niugini Limited (BNL) have identified more than 75 plant and animal species previously unknown to science. Both areas have been identified as being of global significance and as conservation priorities for Papua New Guinea.

Both areas are managed in accordance with the Papuan Forest Stewards Initiative, a conservation-based development program designed and implemented by American anthropologist Dr William H Thomas and the local landowners. It combines traditional environmental knowledge, cultural stewardship and partnership with local, national and international institutions.



## TARGETS FOR 2019 AND BEYOND

Develop and implement

### **Biodiversity Action Plans**

(BAPs) at priority sites of Pueblo Viejo, Cortez, Goldstrike and Lumwana

Develop and implement

**BAPs** at all sites by 2021





## AIR EMISSIONS

Mining can create high levels of dust in the air which can cause breathing issues and eye irritation. Mining can also produce other air pollutants including sulphur dioxide, nitrogen oxides, carbon monoxide and mercury, many of which are tightly regulated by our host countries. We are committed to robust air pollution management to ensure we maintain our relationships with local communities, keep our employees healthy and to satisfy our permit and license requirements.

### Management approach

#### Dust

Dust is the main air pollutant at mining sites with levels and strategies to deal with dust varying between sites. We reduce dust by spraying water to suppress dust at roads, crushers and conveyor belt systems; applying natural or synthetic dust suppression products where suitable and enforcing speed limits to reduce dust picked up by vehicles, particularly on heavy use haul roads.

#### Other air emissions

Sulphur dioxide (SO<sub>x</sub>), nitrous oxide (NO<sub>x</sub>) and particulate (PM<sub>10</sub>) emissions are produced in the combustion engines of our vehicles and on-site generators and from processing certain ores. Depending on the site and ambient air quality, we adopt a range of measures to reduce these emissions and comply with local air quality standards. These measures include low NO<sub>x</sub> burners, selective catalytic reduction (SCR) for stationary sources and scrubbers.

Dust is reduced by spraying water on roads.



Monitoring air quality.





## 2018 Performance





Air quality is closely monitored in areas where dust levels are high, in line with IFC guidelines. Dust from roads has been a source of tension with local communities around our Loulo-Goukoto complex, and former Randgold trialed different approaches to reduce dust. At the end of 2018 we started to apply bitumen to the haul road between the Loulo and Goukoto parts of the complex to reduce the amount of dust thrown up by large vehicles. This also helps to reduce the amount of water needed for road wetting.

FIGURE 37: AIR EMISSIONS - DATA FROM LEGACY BARRICK SITES ONLY<sup>1</sup>

Emissions type (tonnes)	Legacy Barrick
Mercury air emissions	0.2
NOx emissions to air	17,560
PM10 emissions	1,638
Sulphur dioxide (SO <sub>2</sub> ) Emissions	1,172

<sup>1</sup> Only includes sites where reporting is required by Government regulation.

## INTEGRATING THE SUSTAINABLE DEVELOPMENT GOALS

		<b>6 CLEAN WATER AND SANITATION</b> 	<b>7 AFFORDABLE AND CLEAN ENERGY</b> 	<b>15 LIFE ON LAND</b> 
<b>Overview contributions</b>		<ul style="list-style-type: none"> <li>We are committed to <b>responsible water management</b>. All water discharged from our mines is returned to its source at the same or better quality.</li> </ul>	<ul style="list-style-type: none"> <li>More than <b>1.1 million GJ of renewable energy</b> produced or used by the legacy Companies in 2018. We are committed to tackling climate change through reducing our emissions.</li> </ul>	<ul style="list-style-type: none"> <li>We support <b>biodiversity</b> through concurrent rehabilitation of land at operational mines. Over \$4.3 million invested in programs to support conservation in Mali, the DRC, Côte d'Ivoire and the US.</li> </ul>
<b>Snapshot examples</b>		<ul style="list-style-type: none"> <li>Former Randgold invested over <b>\$760,000</b> in 2018 to improve access to potable water in Africa, including new community water systems in Durba (DRC) and Tongon village (Côte d'Ivoire).</li> <li>Near Veladero in Argentina we approved the construction of <b>11 water treatment units</b> in the Iglesia region.</li> </ul>	<ul style="list-style-type: none"> <li>We approved a project to build a <b>24MW solar power plant</b> in Mali that will power 40% of Loulo-Goukoto's mine's energy needs during the day.</li> <li>Zaldivar in Chile will be the country's first mine to be <b>100% powered by renewables</b>. Hydro, solar and wind sources should save around 350,000 tonnes of GHGs per year.</li> </ul>	<ul style="list-style-type: none"> <li>Our support for the Garamba National Park in the DRC has helped the rangers and researchers <b>reduce elephant poaching by 98%</b> since 2016 and increase the numbers of the critically endangered Kordofan giraffe in the park, from 38 in 2016 to 55 in 2018.</li> </ul>



# CAUTIONARY STATEMENT ON FORWARD LOOKING INFORMATION



*Certain information contained or incorporated by reference in this document, including any information as to our sustainability strategy and vision, projects, plans, or future financial or operating performance, constitutes "forward-looking statements". All statements, other than statements of historical fact, are forward-looking statements. The words "vision", "believe", "expect", "target", "plan", "objective", "aim", "intend", "goal", "continue", "budget", "potential", "may", "will", "can", "should", "could", "would", and similar expressions identify forward-looking statements. In particular, this presentation contains forward-looking statements including, without limitation, with respect to (i) Barrick's sustainability strategy and vision; (ii) Barrick's environmental, health and safety, corporate social responsibility (including social and economic development, water management, tailings and hazardous waste management and community relations) and human rights programs, policies and performance; (iii) Barrick's climate change strategy and greenhouse gas emission targets; (iv) joint ventures and partnerships; and (v) the estimated timing to achieve environmental, social and energy reduction targets.*

*Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as at the date of this presentation in light of management's experience and perception of current conditions and expected developments, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements, and undue reliance should not be placed on such statements and information. Such factors include, but are not limited to: damage to the Company's reputation due to the actual or perceived occurrence of any number of events, including negative publicity with respect to the Company's handling of environmental matters or dealings with community groups, whether true or not; changes in national and local government legislation, taxation, controls or regulations, and/or changes in the administration of laws, policies, and practices, expropriation or nationalization of property and political or economic developments in Canada, the United States, and other jurisdictions in which the Company does or may carry on business in the future; risk of loss due to acts of war, terrorism, sabotage and civil disturbances; litigation and legal and administrative proceedings; contests over title to properties, particularly title to undeveloped properties, or over access to water, power and other required infrastructure; risks associated with working with partners in jointly controlled assets; employee relations; increased costs and risks related to the potential impact of climate change; risks associated with illegal and artisanal mining; the risks of operating in jurisdictions where infectious diseases present major health care issues; fluctuations in the spot and forward price of gold, copper, or certain other commodities (such as silver, diesel fuel, natural gas, and electricity); the speculative nature of mineral exploration and development; changes in mineral production performance, exploitation, and exploration successes; diminishing quantities or grades of reserves; increased costs, delays, suspensions, and technical challenges associated with the construction of capital projects; operating or technical difficulties in connection with mining or development activities, including geotechnical challenges, and disruptions in the maintenance or provision of required infrastructure and information technology systems; failure to comply with environmental and health and safety laws and regulations; timing of receipt of, or failure to comply with, necessary permits and approvals; and our ability to successfully close and integrate acquisitions or complete divestitures. In addition, there are risks and hazards associated with the business of mineral exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion, copper cathode or gold or copper concentrate losses (and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks).*

*Many of these uncertainties and contingencies can affect our actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, us. Readers are cautioned that forward-looking statements are not guarantees of future performance. All of the forward-looking statements made in this presentation are qualified by these cautionary statements. Specific reference is made to the most recent Form 40-F/Annual Information Form on file with the SEC and Canadian provincial securities regulatory authorities for a more detailed discussion of some of the factors underlying forward-looking statements and the risks that may affect Barrick's ability to achieve the expectations set forth in the forward-looking statements contained in this presentation. Barrick Gold Corporation disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable law.*