



## ***NOW & BEYOND 2005***

*Corporate Sustainability Report*







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*Now & Beyond 2005 is our third global sustainability report, published as part of our commitment to accountability and transparency. Our last report, Now & Beyond 2004, was published in April 2005. In these reports, we put forth our goals, the challenges we face and our efforts to continually improve our performance on health and safety, employee well-being, and social and environmental responsibility.*

We face challenges with environmental and social issues every day, and we are judged on how well we manage them. The “Focus On” sections discuss three key challenges that have emerged recently, which are: resettlement in Ghana; allegations of pollution from tailings in Indonesia; and community protest over Cerro Quilish in Peru.

Now & Beyond 2005 outlines what we have learned from our achievements, as well as our mistakes, in our efforts to continuously improve our performance. It provides an overview of Newmont’s corporate responsibility activities around the world. Further details on specific sites can be found in our *Now & Beyond* site reports. These are printed in English and local languages and distributed to local stakeholders. View them alongside this report at [www.newmont.com](http://www.newmont.com).

## MATERIAL ISSUES

We identify material issues by engaging with our stakeholders, tracking media coverage, and assessing our own operations’ performance against our policies and standards. *Now & Beyond 2005* focuses on the areas that we and our stakeholders consider material to our business:

- ▶ The health and safety of our employees.
- ▶ The fair and equitable treatment of all of our employees – including their working conditions, human rights, professional development and remuneration.
- ▶ The benefits to our communities with a focus on building long-term value, from jobs and new or improved infrastructure to improved healthcare, education and drinking water.
- ▶ The importance of protecting the environment throughout the mine lifecycle.

*Now & Beyond 2005* was prepared in accordance with the Global Reporting Initiative (GRI) guidelines (published in 2002), including the Mining and Metals Sector Supplement (published in 2005). We detail our conformance with the guidelines in our content index (see page 56). Newmont is a member of the GRI and is participating in the continuing review of the GRI process through the International Council on Mining and Metals (ICMM). For more information on the guidelines, see [www.globalreporting.org](http://www.globalreporting.org).

We commissioned World Monitors Inc. to provide independent assurance on this corporate *Now & Beyond* report to ensure it is objective and credible. This assurance included visits to operating locations in Ghana, Indonesia, Nevada and Peru, as well as our corporate headquarters in Denver. The assurance process was undertaken in accordance with Accountability’s AA1000 Assurance Standard, based on three key principles:

- ▶ **Materiality:** Does the report provide an account covering all the areas of performance that stakeholders need to judge the organization’s sustainability performance?
- ▶ **Completeness:** Is the information complete and accurate enough to assess and understand the organization’s performance in all these areas?
- ▶ **Responsiveness:** Has the organization responded coherently and consistently to stakeholders’ concerns and interests?

The World Monitors Assurance Report on page 62 discusses how *Now & Beyond* measures up against these principles. For more information on AA1000, see [www.accountability.org.uk](http://www.accountability.org.uk).

## SCOPE OF REPORT

This report focuses on Newmont’s current operating sites. Data presented here is for the 2005 calendar year. All financial figures are quoted in US dollars. References to “Newmont,” “the company,” “we” and “our” refer to Newmont Mining Corporation and/or its affiliates and subsidiaries.

Selected data contained in the report have been verified by World Monitors Inc. as part of their independent assurance process. This does not include verification of financial data, which is taken from Newmont’s 2005 Annual Report, audited by PriceWaterhouseCoopers.

## FURTHER INFORMATION

For more information about Newmont, including specific financial data and details of our governance structure, see our website at [www.newmont.com](http://www.newmont.com).

Newmont’s 2005 Annual Report and Form 10-K (an overview of Newmont’s business and financial condition submitted to the U.S. Securities and Exchange Commission) are available on our website.

## FEEDBACK

We welcome your comments. Please e-mail us at: [esr@newmont.com](mailto:esr@newmont.com).

Alternatively, you may contact:

Dave Baker  
Vice President, Environmental Affairs and Sustainable Development  
[Dave.Baker@Newmont.com](mailto:Dave.Baker@Newmont.com)

Helen Macdonald  
Director, Community Relations and Social Development  
[Helen.Macdonald@Newmont.com](mailto:Helen.Macdonald@Newmont.com)



*Newmont was one of the world's largest gold producers in 2005, generating net income from continuing operations of \$374 million. We employ 14,996 people with an additional 19,123 contractors at our operations worldwide.*

In 2005, we produced 8.6 million consolidated ounces and 6.5 million equity ounces of gold (the proportion of gold produced according to our ownership in each operation). Our mines also produce copper and silver. Newmont has interests in gold refining and distribution businesses in Europe and Australia.

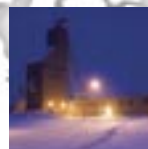
The gold we produce is sold to international bullion banks. The majority is then used to make jewelry. Gold has been valued as a long-term, stable form of storing, protecting and transferring wealth since the earliest civilizations. Gold is also important in many cultures, especially throughout Asia. In addition, gold has a wide

range of industrial and medical uses, making it an essential metal in people's lives. A description of how gold is produced is provided on our website, [www.newmont.com](http://www.newmont.com).

Our mining operations create employment in and around surrounding communities and can support the construction of new or improved infrastructure, as well as provide opportunities for better healthcare and education. We are committed to standards of health, safety and environmental management that create value for the communities where we operate and promote the well-being of our workforce.

CANADA

**Golden Giant**  
Employees: 125  
Contractors: 0



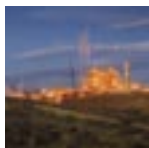
**Holloway**  
Employees: 183  
Contractors: 98



Golden Giant  
Holloway

UNITED STATES, NEVADA

Carlin  
Lone Tree  
Midas  
Phoenix  
Twin Creeks



Total Employees: 3,262\*  
Total Contractors: 1,809\*  
(\*includes regional offices in Elko and Reno)

Carlin  
Lone Tree  
Midas  
Twin Creeks  
Phoenix

PERU

**Yanacocha**  
Employees: 2,987  
Contractors: 7,126



Yanacocha

BOLIVIA

**Kori Kollo - Kori Chaka**  
Employees: 555  
Contractors: 363



Kori Kollo -  
Kori Chaka

## NEWMONT OPERATIONS

	2004	2005
Net income from continuing operations (\$ million)	453	374
Gold sales (million consolidated ounces*)	8.8	8.6
Gold sales (million equity ounces*)	7.0	6.5
Number of employees	13,788	14,996
Number of contractors	14,410	19,123

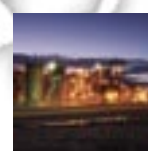
\* 'Consolidated ounces' denote the total gold produced by all our operations.  
 'Equity ounces' denote that portion of gold produced or sold that is attributable or proportional to Newmont's ownership or economic interest.

## UZBEKISTAN



**Zarafshan**  
 Employees: 925  
 Contractors: 116

## AUSTRALIA



**Jundee**  
 Employees: 168  
 Contractors: 350



**KCGM**  
 Employees: 527  
 Contractors: 207

**Pajingo**  
 Employees: 281  
 Contractors: 108

**Tanami**  
 Employees: 164  
 Contractors: 354

**Adelaide and Perth (regional offices)**  
 Employees: 254  
 Contractors: 57

## GHANA



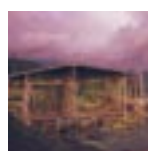
**Ahafo**  
**Akyem**

**Ahafo**  
 Employees: 347  
 Contractors: 3,788

**Akyem**  
 Employees: 116  
 Contractors: 335

**Accra (regional office)**  
 Employees: 122  
 Contractors: 95

## INDONESIA



**Batu Hijau**  
 Employees: 4,203  
 Contractors: 3,098

**Batu Hijau**

## NEW ZEALAND



**Martha**  
 Employees: 109  
 Contractors: 98

**Martha**



*This report, our third, is about our commitment to contribute to sustainable development. Although the reporting scope has not changed, we have endeavored to provide more information on issues that are of interest to our stakeholders.*

At Newmont, we intend to be one of the world's most trusted, respected and valued natural resource companies, and the clear leader in the gold industry. To do this, we must provide superior returns to our shareholders, but also to our host governments and local communities, for they too invest in their future through Newmont. Ultimately, the long-term interests of our industry will be served only if mining contributes—and is seen to contribute—to sustained economic development in the regions where we operate.

This has led to an emphasis, within Newmont and industry-wide, on the concepts of sustainable development, environmental stewardship and social responsibility. We have made great progress in these areas over the last few years, but we are focused more than ever on continuing to improve

our performance. This report discusses our progress during 2005, as well as some of the challenges that we faced. The report has been prepared in accordance with the 2002 Global Reporting Initiative guidelines, and also reports on progress as measured against the 10 principles of the U.N. Global Compact. It represents a balanced and reasonable presentation of our organization's economic, environmental and social performance.

Newmont is a founding member of the International Council on Mining and Metals (ICMM), and I have been privileged to serve as chairman of this group for 2005-06. ICMM is comprised of 14 of the world's leading natural resources companies and is committed to raising the bar of industry performance through a four-pronged framework: each member is committed to adhering

to the 10 sustainable development principles featured later in this report; publicly reporting on its performance in accordance with the Global Reporting Initiative; providing third-party assurance of its performance and reporting; and sharing and developing best practice guidance within the industry. ICMM is working with a number of organizations, including the United Nations, the World Bank and the World Conservation Union, on joint initiatives on community engagement, biodiversity, emergency preparedness, indigenous rights, mine safety and a host of other topics.

Our critics maintain that the costs of resource development often outweigh the benefits, and we are aware that, in many cases, the socio-economic performance of mineral-dependent developing economies has been poor. But a groundbreaking study recently released by the ICMM has found that mining has significant potential to drive economic growth and poverty reduction in mineral-rich states under the right conditions. The research found that, particularly for the poorest countries, mining can provide opportunities for early-stage development that other industries do not offer. For example,

## NEWMONT'S ENVIRONMENTAL AND SOCIAL RESPONSIBILITY EVOLUTION



# LETTER FROM OUR CHIEF EXECUTIVE OFFICER

in Ghana, since the mid-1980s, a boom in mining investment has coincided with an upturn in economic growth. As a result, poverty has fallen, especially in regions with a high level of mining activity.

The most important finding of the study, however, is that industry cannot achieve this by working alone. The key is to strengthen the focus on managing and utilizing the generated revenues transparently and effectively, at the national, regional and local levels, to achieve the full economic and social development potential of resource development.

Efforts like the Extractive Industries Transparency Initiative, the Publish What You Pay campaign, and the World Economic Forum's Partnering Against Corruption Initiative offer a good start in this regard. But even more effort is required to strengthen economic management, governance and sound and participative institutions at the regional and local levels. Without such joint action, unrealistic expectations of what companies alone can deliver are likely to continue to grow.

We at Newmont are fully committed to exploring more collaborative solutions to these challenges, in concert with governments, development agencies

like the World Bank, non governmental organizations and civil society. At the same time, we will continue to focus on our own performance on sustainable development, environmental stewardship, employee health and safety, and social responsibility. Ultimately, it is Newmont's performance in these areas that will secure our continued access to land and capital, and make us the resource company of choice for communities, governments and partners.

Finally, I want to thank the employees of Newmont and our many contractors and partners for their commitment to helping us make a meaningful contribution to sustainable development—and to ensuring that Newmont is trusted, respected and valued wherever we operate.

Sincerely,



**WAYNE W. MURDY**  
Chairman and CEO  
Newmont Mining Corporation

## NEWMONT'S ENVIRONMENTAL AND SOCIAL RESPONSIBILITY EVOLUTION







*It is critical that our strategic plan is executed on the ground. One of our many challenges is to ensure that we achieve a balance between the sometimes conflicting demands of communities, environment and shareholders.*

In order to be the clear leader in the gold industry, it is essential that we meet our production goals, develop and retain a highly skilled workforce, and maintain a safe and healthy workplace. We also must drive excellence in our environmental performance and ensure our local communities and other stakeholders benefit from our presence.

These are all key elements in our contribution to sustainable development and are fundamental to our long-term business viability. Our goal is to continually improve our performance in these areas by applying the same rigor we use in the financial and production aspects of our business.

Mining projects are long term, but they do come to an end. Of key concern is how we can help develop sustainable communities around our mines. It is essential that there is sufficient investment in building the capacity of communities to sustain themselves when we depart. This can only be achieved by a collaborative effort involving a range of stakeholders, from international agencies and national governments to community leaders and, of course, ourselves. Building the necessary capacity brings benefits to the community, our host country and to our shareholders – we will be a more valuable investment if we are part of a stable, sustainable community.

In 2005, we focused on two major social and environmental initiatives. In collaboration with the University of Colorado's Health Sciences Center, we began identifying opportunities to improve community health; and in partnership with Conservation International, we looked for opportunities to improve biodiversity.

In 2006, we plan to roll out a comprehensive strategy on community health that involves a more rigorous approach to health impact assessments and the identification of opportunities to make a real difference to the health of the communities where we operate. With Conservation International, we will develop our biodiversity policy and incorporate these objectives into our operating activities.

We have many challenges. In 2005, we failed to meet our goal of an accident-free workplace. We deeply regret the accidental deaths of four contractors while working at Newmont in 2005. Each tragic incident was fully investigated to discover why our rigorous safety systems failed. We have taken measures to prevent similar accidents and remain determined to reach our goal of an accident-free workplace. Our detailed record is on page 50.

We also deeply regret a series of fatal accidents involving community members that occurred near our Ghana sites in October and November of 2005. We are working intensively with our contractors and the communities to further reduce the potential for accidents.

Our sustainability goals for 2006 cover activities ranging from employee development and safety reporting, to water management, and the social and environmental aspects of mine closure. To drive continual improvement, we will develop key metrics, monitor and continue to report on our performance.

Sincerely,

**THOMAS L. ENOS**

Senior Vice President, Operations  
Newmont Mining Corporation



*We know that our long-term success depends on creating value both with our communities and for our shareholders. From the day we begin exploration, our success is tied to our ability to develop, operate and close mines in a way that improves the lives of the people in the surrounding communities, in a safe and environmentally responsible manner.*



## OUR VISION

*Creating value with every ounce.*

## OUR VALUES

*Our values will help us realize this vision. We expect our employees around the globe to:*

- ▶ *Act with integrity, trust and respect*
- ▶ *Reward an entrepreneurial spirit, a determination to excel and a commitment to action;*
- ▶ *Demand leadership in safety, stewardship of the environment, and social responsibility;*
- ▶ *Develop the best people in pursuit of excellence;*
- ▶ *Insist on teamwork and honest communication; and*
- ▶ *Demand positive change by continually seeking out and applying best practices.*

By maintaining high standards for protecting human health and the environment, and working in cooperation with our host communities, we endeavor to create sustainable, long-term economic and social opportunities. Among our goals is to be recognized by communities and governments as the mining company of choice for new exploration and the development of new projects and existing operations. We want to build on the progress we have made in contributing to sustainable development by learning from our achievements as well as our mistakes.

Our sustainable development strategy is an integral component of Newmont's long-term strategy. It sets out our key objectives to drive continuous improvement in the areas of environment, community, and the safety and development of our people. To achieve these objectives, we have set specific targets, which are outlined in the relevant sections of this report.

Newmont has voluntarily chosen to adopt or participate in a number of international sustainable development initiatives, which provide the framework for Newmont's sustainable development strategy. These are listed below together with websites for more information. We also collaborate with other organizations on specific sustainability projects. Details of these projects and our role in these sustainability initiatives are provided in the relevant sections of this report.

The table on page 56 provides a guide to our performance against key indicators from these voluntary initiatives together with an index to the Global Reporting Initiative reporting parameters.

### SUSTAINABLE DEVELOPMENT INITIATIVES

**The International Council on Mining and Metals (ICMM) Sustainability Principles**, derived from an independent global review and analysis of the mining sector (the Mining, Minerals and Sustainable Development Project) and building on the Toronto Declaration (see page 8). [www.icmm.com](http://www.icmm.com)

**The ICMM agreement with the World Conservation Union**, which prohibits mining and exploration in World Heritage areas. [www.iucn.org](http://www.iucn.org)

**The Extractive Industries Transparency Initiative (EITI)**, led by the UK Department for International Development, which aims to ensure that revenues from extractive industries contribute to sustainable development and poverty reduction in developing countries. [www.eitransparency.org](http://www.eitransparency.org)

**The "Publish What You Pay" campaign**, which promotes public disclosure of taxes and royalties paid to governments as a result of mining activity. The aim is to combat bribery and corruption by encouraging companies to publish what they pay and governments to disclose what they receive. [www.publishwhatyoupay.org](http://www.publishwhatyoupay.org)

**The World Economic Forum's Partnering Against Corruption Initiative (PACI)**, an initiative committing member companies to a zero-tolerance policy on bribery and to the development of practical and effective programs to enforce it. [www.weforum.org/paci](http://www.weforum.org/paci)

**The Global Sullivan Principles**, designed to promote economic, political and social justice, and encourage greater tolerance. The eight principles focus on protecting the rights and interests of employees and communities. [www.thegsp.org](http://www.thegsp.org)

**The United Nations Global Compact**, a multi-sector forum that brings together business and civil society organizations to tackle human rights issues in a non-political and pragmatic way through the private sector. The Compact's 10 Principles cover human rights, bribery and corruption, labor, and the environment (see page 8). [www.unglobalcompact.org](http://www.unglobalcompact.org)

**The Voluntary Principles on Security and Human Rights**, a joint initiative between governments, NGOs and companies in the extractive sector to respect human

rights in the use of security forces. The initiative covers risk assessments, contracts and training. [www.voluntaryprinciples.org](http://www.voluntaryprinciples.org)

**The Council for Responsible Jewellery Practices (CRJP)**, a joint initiative founded in 2005 to promote responsible ethical, social and environmental practices throughout the diamond and gold jewelry supply chain from mine to retail. [www.responsiblejewellery.com](http://www.responsiblejewellery.com)

**The International Cyanide Management Code for the Manufacture, Transport and Use of Cyanide in the Production of Gold**, a voluntary code to help the gold industry improve cyanide management. [www.cyanidecode.org](http://www.cyanidecode.org)

**The Fund for Peace Human Rights & Business Roundtable**, a forum for multinational businesses in the extractive sector to work with NGOs to promote sustainable development. [www.fundforpeace.org/programs/hrbrt/hrbrt.php](http://www.fundforpeace.org/programs/hrbrt/hrbrt.php)

ICMM's Sustainable Development Framework and the 10 principles for sustainable development provide the basis upon which we have evolved our strategy. In addition, we continued to play an active role in the management of the ICMM and participated in many of its working groups in 2005. These groups focus on developing tools and initiatives to help companies meet the requirements of the sustainability principles, as well as developing ways to ensure compliance with the principles.

Newmont is a signatory to the Global Sullivan Principles on the rights of employees and communities. Our employment policies, together with our Five Star standards (see page 12) help to ensure we comply with these principles.

Newmont is a founding member of the Council for Responsible Jewelry Practices (CRJP), established in 2005 to promote ethical practices in the jewelry supply chain from mine to retail. The CRJP has developed a draft mission statement and principles, which are the focus of stakeholder engagement to gain input and comment before they are finalized.

## ICMM SUSTAINABLE DEVELOPMENT PRINCIPLES

1. *Implement and maintain ethical business practices and sound systems of corporate governance.*
2. *Integrate sustainable development considerations within the corporate decision-making process.*
3. *Uphold fundamental human rights and respect cultures, customs and values in dealings with employees and others who are affected by our activities.*
4. *Implement risk management strategies based on valid data and sound science.*
5. *Seek continual improvement of our health and safety performance.*
6. *Seek continual improvement of our environmental performance.*
7. *Contribute to conservation of biodiversity and integrated approaches to land use planning.*
8. *Facilitate and encourage responsible product design, use, re-use, recycling and disposal of our products.*
9. *Contribute to the social, economic and institutional development of the communities in which we operate.*
10. *Implement effective and transparent engagement, communication and independently verified reporting arrangements with our stakeholders.*

## THE UNITED NATIONS GLOBAL COMPACT 10 PRINCIPLES

### **HUMAN RIGHTS** - Business is asked to:

1. *Support and respect the protection of international human rights within their sphere of influence; and*
2. *Make sure their own corporations are not complicit in human rights abuses.*

### **LABOUR** - Business is asked to uphold:

3. *Freedom of association and the effective recognition of the right to collective bargaining;*
4. *The elimination of all forms of forced and compulsory labor;*
5. *The effective abolition of child labor; and*
6. *The elimination of discrimination in respect of employment and occupation.*

### **ENVIRONMENT** - Business is asked to:

7. *Support a precautionary approach to environmental challenges;*
8. *Undertake initiatives to promote greater environmental responsibility; and*
9. *Encourage the development and diffusion of environmentally friendly technologies.*

### **ANTI-CORRUPTION**

10. *Business should work against all forms of corruption, including extortion and bribery.*



## CASE STUDY: INCREASING THE TAX BASE IN CAJAMARCA, PERU

The Yanacocha mine is an economic engine for the region. It employs 2,987 people directly – virtually all Peruvians, 62% of whom are local – and 7,126 contractors. Yanacocha's total payroll was \$79.76 million in 2005, and the site spent \$692.1 million to buy goods and services from outside providers, including 15.5% paid to local firms.

Despite this, stakeholder engagement at Yanacocha identified resentment in some parts of the community about the way the economic benefits of the mine are shared.

We want the benefits of mining to be shared equitably with the communities in which we operate. A Peruvian law known as “*canon minero*” requires that half of the total income tax paid by our Yanacocha mine be returned to the Cajamarca region for local development.

Under the terms of the *canon minero*, in 2005, Peru's government transferred \$115.7 million to the provincial and district councils, and to the local public universities.

A key action is to diversify the local economy so that the mine's employment creates a domino effect that leads to the creation of new businesses and new employment.

As more people gain employment and wealth, they spend more in the economy and contribute more to the tax base. This, in turn, provides better educational, health and social services to the community.

The enhanced tax base allows for greater, more equitable distribution of income among those working for the mine and the farmers, artisans, teachers, doctors and other vital members of the community.

## ETHICS

Newmont requires all employees to behave in accordance with our Code of Business Ethics and Conduct (the Code). The Code guides employees on compliance with all applicable laws and seeks to ensure that any violations are prevented or effectively detected.

The Code governs issues relating to antitrust laws, bribes and kickbacks, conflicts of interest, copyright laws, environmental laws and regulations, export and import laws, the U.S. Foreign Corrupt Practices Act, fraudulent transactions, harassment and discrimination, improper lobbying and political contributions, software piracy, substance and alcohol abuse, and theft. In many cases, the standards set by Newmont's Code go beyond what the law requires.

All our employees must sign an annual declaration to ensure they have read and understand the Code, and declare any possible conflicts of interest. Our contractors are not covered by the code, but they are committed to certain ethical standards through the terms of their contracts. In 2005, we reviewed and updated our anti-corruption program to ensure it is fully compliant with the PACI Principles (see page 7). We are developing compliance guidelines based on PACI and our Code of Business Ethics and Conduct. The guidelines focus on our key risks and will be finalized in 2006.

Our toll-free Compliance Line allows our employees to report suspected violations of our Code of Business Ethics and Conduct, non-conformance with company policies, and any other concerns. The line is run by a third party and operates 24 hours a day, seven days a week, 365 days a year. All calls are confidential and anonymous. During 2005, the Compliance Line received 24 calls. Concerns raised by employees are reviewed and assessed by the Internal Audit Department. Concerns are addressed by either local or corporate management as appropriate. For more about our Code of Business Ethics and Conduct, see our website at [www.newmont.com](http://www.newmont.com).



TRANSPARENCY

Newmont participates in several initiatives that focus on improving transparency in the reporting of payments made to governments. Newmont's payments to governments consist of taxes and royalties. To demonstrate commitment to transparency, we support the "Publish What You Pay" campaign (see page 7) by disclosing annually the amount of tax and royalties we pay to governments worldwide. Several sites, including Yanacocha in Peru, provide more regular updates of their payments to governments through advertisements in the media or on their websites.

We also support the Extractive Industries Transparency Initiative (EITI) (see page 7). When our Ahafo operation in Ghana begins production in the second half of 2006, and we begin to pay taxes there, these will be publicly reported. We will also work with the Ghanaian government to increase transparency in how our taxes are distributed.

In 2005, Newmont paid \$429.79 million in taxes and royalties. The graph below shows the distribution by country.

Newmont only makes political contributions in the United States, and

only as allowed by law. Newmont is permitted to make contributions to candidates for state office in certain states where it does business, including the State of Nevada, and to contribute to organizations that support candidates for state office such as the Republican Governors Association and the Democratic Governors Association. In 2005, our political contributions amounted to \$162,705. U.S. law prohibits corporations from making contributions to candidates for federal office, or to national political parties that support candidates for federal office. We also engage in political lobbying in the United States at the state and federal levels. Our political lobbying activities are conducted in compliance with all relevant laws and regulations.

HUMAN RIGHTS

Newmont's Social Responsibility Policy formalizes our commitment to respect the UN Universal Declaration of Human Rights at all our operations. Newmont is one of only 32 U.S. companies (out of a total of more than 2,000 signatory companies) that have committed to adhere to the U.N. Global Compact's 10 principles on human

rights, bribery and corruption, labor and the environment (see page 8). Our Five Star standards (see page 12) help ensure we comply with the principles.

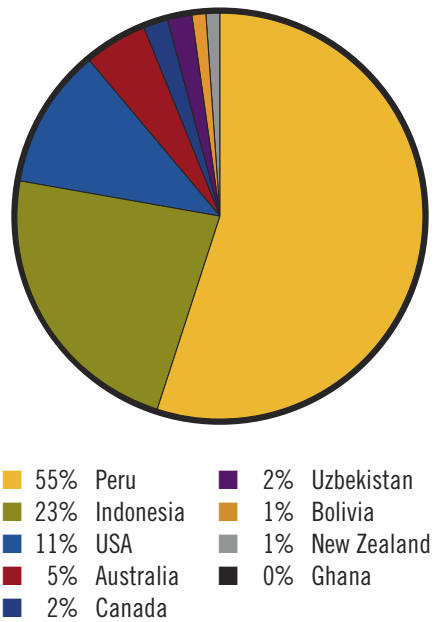
We support the U.N. Millennium Development Goals to eradicate extreme poverty and hunger; achieve universal primary education; promote gender equality and empower women; reduce child mortality; improve maternal health; combat HIV/AIDS, malaria and other diseases; ensure environmental sustainability; and develop a global partnership for development ([www.un.org/millenniumgoals](http://www.un.org/millenniumgoals)). We endeavor to contribute to meeting these goals through our sustainable development initiatives.

Newmont is a member of the Fund for Peace Human Rights & Business Roundtable (see page 8). In 2005, we continued to participate in seminars that focus on understanding conflict and peace building in the countries where extractive companies operate.

Our global standard on human rights awareness applies to all our operations. This requires each site to identify potential human rights issues and impacts, raise awareness of these

2005 TAXES & ROYALTIES PAID BY COUNTRY

TOTAL: \$429.79 (Million)





issues and impacts and provide human rights training for employees and contractors, and develop a method for reporting and investigating human rights abuse allegations. In 2005, 14 of our 18 sites undertook human rights training with employees and contractors working in security and other areas of operations.

The 2004 human rights assessment of the Yanacocha operation in Peru against the U.N. Norms on the Responsibilities of Transnational Corporations suggested we need to raise awareness of human rights and increase accountability at the site. In response to this assessment, we developed an action plan in 2005 to identify potential human rights issues at Yanacocha, design and implement a training program for employees (based on our global human rights training manual), verify compliance with Newmont's human rights standards, and report performance against these standards.

A human rights complaint was filed with the Indonesian National Human Rights Committee against our Minahasa site in Indonesia in 2005. The committee examined the complaint that alleged violations of the "human right to health" and determined there was not enough evidence to continue any investigation. As the committee determined there was not enough evidence to initiate a formal proceeding, no formal determination was issued.

In 2005, we distributed a training manual on human rights issues at all our operations. Each operating site is responsible for implementing training according to their needs.

Some areas of human rights are particularly important for Newmont:

#### *Indigenous People*

We respect the social, economic and cultural rights of indigenous people. Our operations are often in the vicinity of indigenous communities, and we are sensitive to the impact our business has on them. Our Five Star standards on the management of heritage sites – and sites with cultural or religious significance –

help to ensure our operations respect and protect these sites. The Five Star standard on indigenous employment and business support requires our operations to ensure indigenous stakeholders are included in opportunities provided by our operations.

#### *Security*

We believe the most effective way of maintaining the security of our operations and employees is to have positive and transparent relationships with local communities and governments. We manage the security of all our operations within a framework that ensures respect for human rights and fundamental freedoms under the Voluntary Principles on Security and Human Rights (the Voluntary Principles)

(see page 7). Explicit references to the Voluntary Principles are included in contracts for security services. Our Five Star standard on security services management is based on the Voluntary Principles. Newmont participates on the steering committee for the Voluntary Principles. We have implemented all aspects of the Voluntary Principles through our Five Star Program.

#### *Child Labor*

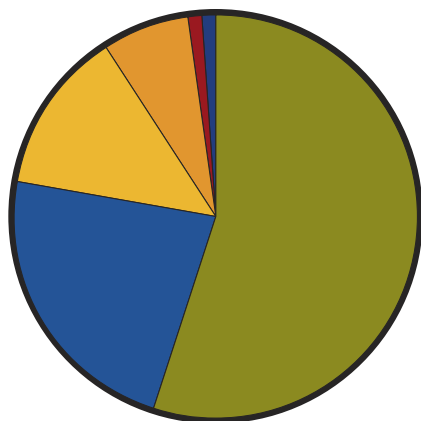
Consistent with our commitment to respect the U.N. Universal Declaration of Human Rights, we do not employ child labor under any circumstances. We comply with child labor laws and monitor our workforce to ensure all our employees are above the minimum legal age in their jurisdiction.





## 2005 UNIONIZATION OF WORKFORCE BY COUNTRY

TOTAL WORKFORCE UNIONIZED: 35%



55% Indonesia	0% Ghana
23% USA	0% New Zealand
13% Peru	0% Uzbekistan
7% Bolivia	
1% Australia	
1% Canada	

### Labor Unions

We recognize the rights of our employees to freely choose to join labor unions. Approximately 35% of our employees belong to unions. The graph above shows the unionization of our workforce as represented by country.

### OUR FIVE STAR PROGRAM

Our Five Star Program is a multi-faceted, integrated set of standards that defines the requirements of a management system to drive a process of continuous improvement and a set of discipline specific standards to provide management focus on key risk areas.

The Program applies to the disciplines of health and safety, environment, and community relations and development at Newmont's mine sites.

The Five Star Program is built around standards that define requirements for management systems in specific areas of health and safety, environment, and community relations. A full list of our Five Star standards, together with our policies on social and environmental responsibility, are available at [www.newmont.com](http://www.newmont.com).



## CASE STUDY: IMPLEMENTING FIVE STAR AT TWIN CREEKS, NEVADA

We have seen the benefits of the Five Star Program at our Twin Creeks operation in Nevada, but implementing the program took commitment. The main challenge has been translating the Five Star standards into action at the site. Each assessment provides the site with important feedback, helping them to gain a better understanding and make improvements to their systems.

Everyone at the site is involved in implementing the Five Star Program, but it took work to help site personnel understand its value. The program now has strong support from all levels of management at Twin Creeks.

It wasn't easy to add Five Star activities to personnel's day-to-day responsibilities without additional resources, but the site now believes it has certainly been worth it.

The focus of Five Star at Twin Creeks – as with each of our sites – is a consistent disciplined approach to identifying and managing the risks at the site. The system encourages people to think differently about the way we do business. Taking an integrated approach means we look at all aspects of a decision, including safety, environment and community relations.





Our Five Star Program standards are based on globally recognized programs from the International Organization for Standardization (ISO). Using the AA1000 framework in our Five Star standards makes stakeholder engagement a central aspect of every site's management system.

Each operating site's management system is assessed annually by external auditors to monitor progress. This involves interviews with relevant site personnel, site inspections and, for community relations standards, interviews with community representatives.

Sites receive a score of one to five stars on each of the standards (see below for the assessment criteria). The Five Star assessment reports provide valuable feedback for sites to improve their management systems, and we are identifying ways to optimize the use of this information. As part of our commitment to transparency, an extract of the assessors' reports and Five Star results are shared with the community representatives who participated in the assessment.

We revised our Five Star standards in 2005 after an in-depth review. As part of this process, the star rating

system was restructured to better measure conformance to the intent of the standards. As a result, there were no substantial improvements in 2005, and indeed a slight reduction from the previous year in the average scores for health and safety, environment and community relations and development management systems. Scores in 2006 compared with this year's scores will provide a more accurate indicator of the positive steps that sites have taken to improve their systems.

In 2005, we conducted the first Five Star assessment of our site at Ahafo, Ghana, which was still under construction. The results will be used as a road map for the site to develop its management systems at the early phase of the mine.

For additional details on each discipline area's progress in 2005, see page 23 for health, safety and loss prevention, page 37 for community relations and development, and page 47 for environmental.

In 2005, two of our operations maintained their ISO 14001 certification, which is focused on environmental management. As yet, there are no mechanisms for certification in social management systems.



NEWMONT'S FIVE STAR ASSESSMENT CRITERIA

INTEGRATED MANAGEMENT STANDARDS

- ★ No procedures developed.
- ★★ Informal or incomplete procedures.
- ★★★ Formal procedures implemented and functional with general conformance to the requirements of the standard.
- ★★★★ As above, and with effective internal auditing, internal reviews and continual improvement.
- ★★★★★ As above, and a formal system implemented, with sustained continual improvement and is integral to site culture.

DISCIPLINE-SPECIFIC STANDARDS

- ★ Standard has not been adopted (no action taken to implement).
- ★★ Not all requirements within the standard have been actioned.
- ★★★ General conformance with the requirements of this standard.
- ★★★★ All requirements of the standard are implemented and they are audited and reviewed for functionality.
- ★★★★★ Residual risk is evaluated and addressed.

## OUR STAKEHOLDERS

We identify our stakeholders as those people and organizations who have the potential to impact or be impacted by our business activities. They include employees, local communities, indigenous peoples, shareholders, partners, financial institutions, governments, contractors, suppliers, trade unions and nongovernmental organizations (NGOs).

Stakeholder engagement is critical to our understanding of how our business affects communities and people. It helps us identify how we can manage our positive and potentially negative impacts, and respond to stakeholder concerns. Engagement with stakeholders is an ongoing process. This includes meetings throughout the year with specific stakeholder groups either in-person or by telephone. In 2005, we also held several meetings with stakeholder representatives in conjunction with our annual general meeting. In addition, Newmont consults stakeholders on specific issues and conducts surveys on our sustainability performance. We communicate with stakeholders through our corporate and local sustainability reports, our website, and our annual report to shareholders.

### *Feedback from 2005 stakeholder survey*

World Monitors Inc. was commissioned to survey a sample of our stakeholders regarding the 2004 corporate *Now & Beyond* report. Seventeen stakeholders from NGOs, multilateral organizations, academia and financial institutions were interviewed at length. Several key points emerged from this stakeholder feedback.

Most interviewees felt that the report showed a commitment to transparency, although some felt Newmont should place greater emphasis on the social and environmental challenges it faces.

Stakeholders appreciated Newmont's acknowledgement of challenging issues in *Now & Beyond* 2004, particularly in Wayne Murdy's opening letter. Many wanted to see more discussion of issues



that have received high-profile media coverage, particularly community protests at Yanacocha in Peru and allegations of pollution at Minahasa in Indonesia. We have responded to this feedback by including in-depth discussions of significant issues in this year's report (see pages 15-18).

The setting of targets was appreciated, but many stakeholders wanted to see them with specific metrics rather than just the development and implementation of programs. We responded to this feedback by developing a series of strategic targets with specific metrics.

Some interviewees felt that the report would be enhanced by providing a more detailed profile of Newmont's operations around the world. A map of our sites is included in this report (see pages 2-3). More detailed information on each of our operations is available at [www.newmont.com](http://www.newmont.com) and in our *Now & Beyond* site reports.

Several stakeholders found some of the charts and data required further explanation. In our 2005 reports, we have tried to make our data presentation clearer.

## MANAGING CONFLICT

We listen to stakeholder concerns and try to reach a mutually satisfactory resolution through stakeholder engagement and community consultation and dialogue. But we are not always successful in our efforts to reach an acceptable compromise, and conflicts arise.

In 2005, we developed a Conflict Assessment Tool to help our sites assess issues that have the potential to create or contribute to conflict with communities before it occurs. This tool helps each site develop a plan to address these issues, often at a stage when they are much more manageable. We have set a target for all sites to complete a Conflict Identification Assessment by the end of 2007.

On pages 15-18, we focus on three issues in areas where we have been challenged. For each issue, we outline the background of Newmont's activities in the area, the nature of the conflict and how we are resolving it.



*Newmont is building a new mine in the Brong-Ahafo region of Ghana. The mine will provide jobs for local people, and the taxes we pay will contribute to new infrastructure for local communities.*



The mine development will require the resettlement of about 500 families who live in villages and hamlets. Our objective is to conduct these resettlement activities through a transparent and collaborative program with the families and communities.

A Resettlement Negotiation Committee, comprised of independently elected community representatives and traditional authorities, was established in February 2004 to represent people who might be affected by the Ahafo project through the loss of homes and/or farmland. The Committee prepared and agreed upon resettlement principles, policies, procedures and compensation rates for crops and buildings. This process involved engaging widely with local communities to take into account the many different viewpoints of community members.

In 2005, we presented resettlement plans and social impact assessments for feedback to community traditional councils. To help communicate information on resettlement, we engaged public consultation officers in five local communities for two weeks.

As one component of the resettlement program, Newmont worked with local and regional government planners to develop 37 different designs for the resettlement houses to accommodate varying traditional needs of families. Families can easily expand their homes once they have moved in, and can use their house to generate income by renting rooms. The new houses come with a legal title, which can be used as collateral for people to raise bank loans.

We provide electricity to the resettlement villages and along main roads, and home-owners pay for installation and wiring in their houses. We also provide water at central tap stands and train members of a water and sanitation committee to maintain

## ABOUT AHAFO

- ▶ Ahafo is located in the Brong-Ahafo region of Western Ghana about 180 miles northwest of Accra.
- ▶ Mine construction is underway, and production is expected to commence in the second half of 2006.
- ▶ Estimated mine life will be 20 years, producing around 500,000 ounces of gold a year.
- ▶ The mine will provide full-time employment for about 600 people when it is fully operational. Approximately 4,000 people were employed as contractors during construction.
- ▶ In 2005, approximately 2% of procurement was spent with local suppliers.
- ▶ Around 37,000 people live in the communities around Ahafo.
- ▶ 1% of gross operating profit and \$1/oz. of gold produced will go toward community investment.
- ▶ 398 households were resettled in 2005; the mine development will require the resettlement of about 500 families.







## AHAFO TIMELINE

**2002** ..... *Ahafo project acquired as part of Normandy Mining acquisition*

**FEB.2004** ..... *Newmont opens training center to provide education and training for the project*

**FEB.2004** ..... *Resettlement Negotiation Committee established*

**MAR.2004** ..... *Resettlement consultations held with local communities*

**FEB.2005** ..... *Program to mitigate the loss of future income from farming launched*

**AUG.2005** ..... *More than 1,000 local people had completed semi-skilled job training*

**AUG.2005** ..... *Resettlement plans, and environmental and social impact assessments presented to community traditional councils*

**SEP.2005** ..... *Public consultation officers located in five local communities for two weeks*

**JUL.2006** ..... *Commitment for local people to represent 35% of the workforce by this date*

**2ND HALF 2006** ..... *Production to begin at Ahafo*

the system. The committee charges a small fee to supply water to residents.

The resettlement process disrupts people's lives and brings personal and family difficulties. We have developed programs to help address these issues – such as alternative land for farming and alternative livelihoods training – to help make the transition as easy and positive as possible. Many people have quickly found new livelihoods. For example, some people have started small businesses catering, making soap and producing batik textiles. Training is also provided on new agricultural techniques that focus on increasing productivity.

Some people who have moved from their land own another house that they can move to. But others will move to two new villages we have built. Every family has been compensated according to the agreement reached between Newmont and the Resettlement Negotiation

Committee. Understandably, many people would prefer to have new land to farm. There is a high degree of concern about how they will cope once they have spent the compensation money. We recognize this is a significant issue, and are particularly concerned about people most at risk, such as the elderly. We are also working with the local chiefs to try to find replacement farmland.

We are working with Opportunities Industrialization Centers International (OICI), an NGO that provides training in managing money as well as practical skills.

We will continue to work with and monitor the families who have been resettled to evaluate the success of the implementation of the resettlement action plan.

*We ended 2005 in Indonesia negotiating an agreement with the Indonesian government to settle a long-standing controversy over our operations in the Buyat Bay area. A criminal prosecution continued against the company and our local President, Rick Ness. We are defending the case vigorously and remain adamant that our Minahasa Raya mine, which closed in 2004, did not pollute the bay or harm local people.*



## ABOUT MINAHASA

- ▶ Minahasa is located 65 miles southeast of Manado on the island of Sulawesi, Indonesia.
- ▶ The mine closed in 2001. Processing of stockpiled ore continued until October 2004.
- ▶ Environmental monitoring and mine closure are ongoing.
- ▶ During operations, the mine was the single largest direct and indirect employer in the region.
- ▶ Minahasa has purchased more than \$100 million worth of goods and services from local suppliers since construction began in 1994.
- ▶ The mine's total contribution in royalties, taxes and indirect benefits to the Indonesian economy was almost \$544 million.
- ▶ Community development activities around Minahasa focused on education, infrastructure development, healthcare, vocational training and business development, agriculture and fisheries training and marine conservation.
- ▶ For further information, please visit [www.newmont.com/en/pdf/buyat\\_bay\\_brochurepdf](http://www.newmont.com/en/pdf/buyat_bay_brochurepdf).

The Minahasa mine utilized submarine tailings placement (STP), a management system that places the tailings directly onto the sea floor. Extensive baseline evaluation, research and engineering define the specific operating parameters for use of this tailings management system in Buyat Bay. Extensive monitoring of this system's performance, including water quality and fish stock quality and quantity, has been conducted during the life of the operation by Newmont Minahasa Raya, the government of Indonesia and local universities.

As the mine approached closure, local NGOs began to claim that tailings had caused a number of medical problems in the local residents, including cases of Minamata disease, an acute form of mercury poisoning.

Subsequent additional studies have found no evidence of contamination, either in the bay or in local villagers. The Japanese Minamata Disease Institute, working with the World Health Organization, found that mercury levels in villagers were within the normal range.

But police say their water samples demonstrate pollution and they continued with the criminal case, which came to court in August 2005. Newmont is accused of contravening the 1997 Management of the Environment Law by allowing contamination of seawater and local residents with arsenic and mercury.

Our records show that we exceeded the government's average monthly mercury emissions limit once in eight years, and that over the life of the mine, we discharged only a tenth of the mercury permitted. Arsenic discharges were even further below the permitted limit.

We believe this conflict demonstrates the need for better understanding and communication with local people near our operations. We are working with

University of Colorado Health Sciences Center to develop a methodology for baseline health studies, which will make it easier to demonstrate how our operations affect local health (see page 36). We also recognize the need to form links with local groups and to be more transparent about our operations. We have opened a public information center in Manado where company records are available to the public.

## MINAHASA TIMELINE

1994	.....	Mine construction begins
1996	.....	Production begins at Minahasa
2001	.....	Mining complete
DEC. 2002	.....	Closure plan approved by the Indonesian government
JUL. 2004	.....	Villagers file an official complaint with police, supported by a local doctor, after a baby's death in Buyat Pantai was blamed on heavy-metal poisoning. A civil action is launched against Newmont.
AUG. 2004	.....	Processing complete and operation closes
AUG. 2004	.....	Police say their tests demonstrate high levels of mercury and arsenic in Buyat Bay water, contrary to Newmont tests of samples taken at the same time
SEP. 2004	.....	Police arrest Newmont Indonesia President Rick Ness and five employees
OCT. 2004	.....	Several tests conclude that water and fish in the bay are not polluted
DEC. 2004	.....	Villagers withdraw civil lawsuit
FEB. 2005	.....	Villagers withdraw complaint to the police; local doctor says she had no evidence
MAR. 2005	.....	Indonesian Environment Ministry launches civil action against Newmont by the local government and local stakeholders
AUG. 2005	.....	Criminal case comes to court
NOV. 2005	.....	Jakarta court rules that the civil case should be settled through negotiation, in accordance with Newmont's contract with the government

*In 2004, protests over exploration of Cerro Quilish became a serious issue for us. In 2005, we focused on building trust with the communities, and we continue to maintain that we will not mine Cerro Quilish without community support.*



## ABOUT YANACOCHA

- ▶ Yanacocha is located 30 kilometers north of Cajamarca in the Andes mountains.
- ▶ The operation consists of five open pit mines – two of which are active – and processing facilities.
- ▶ Estimated gold reserves project a mine life until 2018.
- ▶ As of December 2005, Yanacocha directly employed 2,987 people.
- ▶ Around 32,000 people live in communities near Yanacocha and about 120,000 people live in Cajamarca.
- ▶ The operation made payments of \$79.8 million in wages to employees and \$692.1 million to suppliers in 2005.
- ▶ In 2005, Yanacocha paid \$238.59 million in taxes. Of this, \$115.7 million is targeted for investment in communities around the mine according to Peruvian law on mining royalties.
- ▶ Yanacocha invested \$16.8 million in local communities in 2005.

Community protest came to a head when we resumed exploration of the Cerro Quilish deposit in September 2004. Local people blockaded the road to our operations. When the conflict began to escalate after three days of minor clashes between protesters and police, we withdrew our exploration teams from Quilish. Despite our withdrawal, the protests continued.

After further consultation with communities, it became clear that we had not fully appreciated the true depth of concern over our exploration at Quilish. In November 2004, we asked the Peruvian Ministry of Mines to withdraw our exploration permit, and we ran full-page newspaper advertisements announcing this.

Our decision was received positively by the community. Leaders of the protests welcomed the decision and hoped it would lead to further dialogue between Yanacocha and the community.

We want to reassure communities concerned about the mine's potential impact on water quality. Our stringent standards on water quality are monitored by independent assessors. To increase transparency and build trust, local residents are encouraged to get involved in environmental testing and monitoring so they can see test results themselves.

In a region with natural months of drought, water shortages are a perennial problem for communities and farmers. We are exploring ways to help maintain a steady supply of water during these dry months. For example, canals used to irrigate nearby farmland have been lined to prevent water from seeping away.

## YANACOCHA TIMELINE

1993	Production begins at Yanacocha
1996	Millionth ounce of gold produced
JUN. 2000	Mercury spill near Choropampa
DEC. 2002	Final environmental risk assessment report on mercury spill presented to Ministry of Energy and Mines
SEP. 2004	Newmont resumes exploration of Quilish deposit
SEP. 2004	Mine access road blockaded by communities in protest over drilling at Quilish
NOV. 2004	Newmont withdraws from Quilish
APR. 2005	Proclamation for Peace and Development in Cajamarca



*Health and safety are an important focus in our core company values. We believe that all injuries and illnesses are preventable and that any task that can't be done safely will not be done (see box on page 21). All employees must be responsible for their own safety and the safety of those around them. Our goal is to continually reduce accident rates and achieve zero fatalities.*

#### HEALTH AND SAFETY

We strive for safe production. This means evaluating each task, recognizing potential risks that could cause injury or damage, identifying the safest way to perform each task and consistently integrating our safety management systems into the way we do business every day. To achieve safe production, everyone on our workforce is responsible for completing their jobs safely, and ensuring that unsafe behavior or unsafe conditions are corrected before starting work on a particular task.

Our health and safety policies and management systems identify responsibilities and set standards for all employees and contractors. These policies and

systems help us prevent accidents and manage risks effectively. We train our employees and contractors to recognize and remedy safety hazards, and develop practices to keep them safe at work. See our full health and safety policy at [www.newmont.com](http://www.newmont.com). Our Five Star standards on health, safety and loss prevention help us drive continuous improvement in safety performance (see page 23).

#### HOW WE MANAGE HEALTH AND SAFETY

Global health and safety management includes our Five Star system, business plans and strategy, software, risk assessments, training and emergency response systems.

We utilize the Five Star Management System (see page 12) to monitor our management processes and help improve our health and safety performance. The results of the 2005 assessments against the Five Star health, safety and loss prevention standards are shown on page 23.

To help us manage health and safety more effectively, we are increasingly looking at "lead" indicators (primarily performance against our Health, Safety and Loss Prevention Five Star Management Standards) over "lag" indicators (such as accident and injury data from previous years). Lead indicators measure activities that are carried out to prevent accidents and injuries. Negative trends

can be spotted and rectified before potential incidents occur rather than responding afterward. In 2006, we aim to move our reporting from all lag metrics to 80% lead metrics.

Our Five-Year Strategic Plan to target risks and manage our health and safety performance was rolled out at all sites

in 2005. The plan focuses on six key areas: leadership, involvement, roles and responsibilities, systems, impacts and monitoring. Each site uses the plan to develop a safety strategy that forms an integral part of its operating business plans.

Our Health, Safety and Loss Prevention Ellipse data-management software is designed to help us make better use of statistical data and analysis on safety performance. It was trialed in Nevada, U.S. in 2004. The software is being adapted to suit each site. It was implemented at Yanacocha, Peru, in 2005, and will be adapted for use at Ahafo in Ghana, Zarafshan in Uzbekistan, and all Australian sites in 2006.

We train our employees to identify and manage health and safety risks and workplace hazards. Our training programs are designed to raise awareness and ensure compliance with our health and safety standards and practices among employees and contractors.

#### HEALTH AND SAFETY PERFORMANCE IN 2005

A measure of our overall health and safety performance is the number and frequency of accidents among employees and contractors.



## 2005 TARGETS

Continue conducting five-day workshops on the management of health and safety risk and opportunity.

Implement HIV/AIDS strategy and continue HIV/AIDS education programs.

Collaborate with the National Institute for Occupational Safety and Health (NIOSH) on a baseline study to identify key occupational health and hygiene (OHH) exposures and develop an OHH program for all our operations.

Sponsor the Executive Certificate in Resource Management Risk and Opportunity at the University of Nevada, Reno's Mackay School of Earth Sciences and Engineering.

Implement new Health, Safety and Loss Prevention Ellipse data-management software at all Australian sites to make better use of health and safety data.

Continue participating in the Mining Industry Round Table Group to improve health and safety across the industry.

Begin a new initiative to regularly provide senior management and the Board of Director's Health and Safety Committee with case studies as tools to improve health and safety across the company.

## PROGRESS IN 2005

More than 60 employees in Ghana, Indonesia and Peru took part in five-day workshops, and 25 managers attended one-day workshops.

Implemented HIV/AIDS strategy to ensure consistency across the company, and continued HIV/AIDS education programs at our operations in Ghana, Indonesia and Uzbekistan.

Developed and assessed OHH guidelines through trials at selected sites.

Sponsored and provided materials for the course. In the first year of the program, 60% of students were Newmont employees.

Implemented Ellipse at Batu Hijau, Indonesia, and adapted the software for use at sites in Australia and Ghana.

Chaired Round Table and conducted a leadership workshop attended by 100 representatives from eight companies.

Completed two case studies and identified topics for future case studies.

## 2006 TARGETS

Continue conducting workshops on the management of risk and opportunity.

Join the Global Business Coalition on HIV/AIDS, evaluate our HIV/AIDS program against its Best Practice AIDS Standard, and set targets to ensure we fully comply in 2007.

Analyze trials to improve OHH guidelines and further develop the occupational health component of the standards, guidelines and practices.

Continue supporting the program with Newmont employees participating as students and lecturers, and members of the University of Nevada Reno board.

Roll out customized Ellipse software at Ahafo in Ghana, Zarafshan in Uzbekistan, and all Australian sites.

Continue to chair the Mining Industry Round Table Group in 2006.

Produce further health and safety case studies.

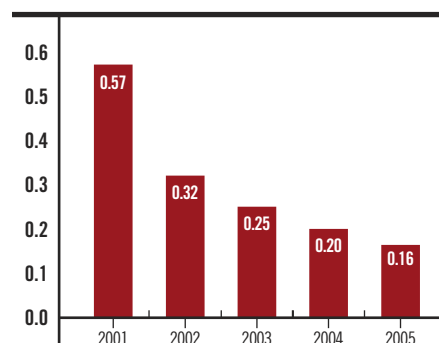
Move from all 'lag' reporting (based on accidents that have happened) to 80% 'lead' reporting (using indicators that monitor prevention activities) for health and safety at all our operations.

### Fatalities

We deeply regret the deaths of four contractors at our operations in 2005.

Detailed investigations were conducted to understand the events

### LOST TIME ACCIDENT FREQUENCY RATE



Notes to charts:

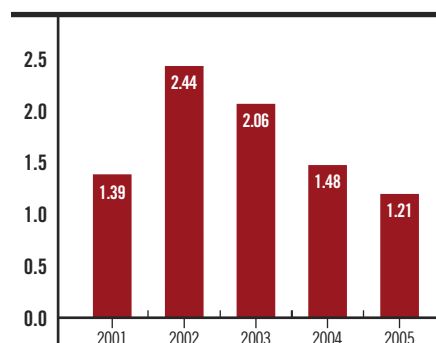
1. A Lost Time Accident (LTA) is any work-related injury or illness (including fatality) that prevents an employee from working their next scheduled shift.

of these accidents and determine where our safety systems need to be improved.

### Accidents and Injuries

Our Lost Time Accident Frequency Rate (see notes to charts below) for 2005 was 0.16, a 20% improvement

### TOTAL REPORTABLE ACCIDENT FREQUENCY RATE

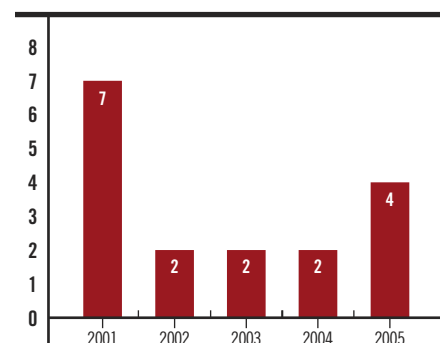


2. A Restricted Work Accident (RWA) is any work-related injury or illness that prevents an employee from performing 100% of his or her normal job duties, whether or not he or she is scheduled to undertake those duties.

3. The Lost Time Accident Frequency Rate is calculated by adding the sum of all Lost Time Accidents to the sum of all Restricted Work Accidents, multiplying by 200,000 and dividing by the sum of all exposure hours.

from the 2004 rate of 0.20. Our Total Reportable Accident Frequency Rate for 2005 was 1.21, an 18% improvement from the 2004 rate of 1.48. Newmont's Total Reportable Accident Frequency Rate is around two-thirds lower than the

### TOTAL FATALITIES



4. A Reportable Accident is any workplace injury or illness that requires more than simple first aid. This includes all medically reported accidents, LTAs, RWAs, and fatalities. The Total Reportable Accident Frequency Rate is calculated by adding all medically reported injuries, multiplying by 200,000 and dividing by the sum of all exposure hours.



U.S. Metal/Non-metal Mining Industry “All Incidents” average of approximately 3.54 (based on US Mine Safety and Health Administration 2005 data).

#### *Fines*

In 2005, Newmont was found in breach of the Canadian Occupational Health and Safety Act after an incident at our Golden Giant mine in Ontario. During maintenance work in June 2004, a cable released suddenly, falling down a mine elevator shaft. The trailing cable struck the top of an elevator carrying 11 miners up the shaft, bringing the elevator to a halt. None of the miners in the elevator were injured. Newmont was fined \$120,000 for failing to take the reasonable precaution of ensuring that no workers were in the shaft during maintenance work.

#### **RESPONDING TO INCIDENTS**

Our Safety Alert system notifies all our operations of significant health and safety incidents. This helps them assess the potential for similar incidents at their sites, and take the necessary preventative action. Our goal is for Safety Alerts to reach all sites within 48 hours of an incident occurring. In 2005, 60 significant incidents were subject to Safety Alerts, and half of these met the 48-hour target.

If existing controls fail and lead to an incident that could significantly harm employees, the community or the environment, all our sites have trained Rapid Response teams to mobilize emergency responses from a site, regional or corporate level. The Rapid Response system is designed to minimize the impact and prevent escalation of a serious incident, and allow normal operations to resume as quickly as possible. In 2005, Rapid Response was used for 83 incidents: 53 were handled at site level, 16 at regional level and 14 at corporate level.

#### **SAFETY INITIATIVES IN 2005**

In 2005, we launched an initiative to identify key occupational health and hygiene (OHH) exposures and develop a global standard for OHH management. Guidelines on the identification,

## STATEMENT OF BELIEF & SAFETY PRINCIPLES

Newmont's working environment will always be safe, ensuring that our safety performance will be recognized as a model of excellence. We will conduct business the safe way, the right way, every day to achieve business excellence through safety.

We believe:

1. *The most important objective is safety and health.*
2. *All injuries are preventable.*
3. *Any task that can't be done safely, won't be done.*
4. *Working safely is a condition of employment.*
5. *Every person is accountable for his or her own safety, the safety of those around them and for controlling loss.*
6. *Every person is expected to identify hazards and manage risks.*
7. *Every person must have and maintain the necessary skills to work safely.*
8. *Pro-active safety leadership, at all levels of the organization – leading to programs to minimize losses – will promote a safe environment.*
9. *Business excellence is achieved through safety and continuous improvement.*
10. *There are certain inviolable standards which if breached will lead to termination of employment.*



evaluation and control of potential hygiene risks have been developed and will be rolled out globally in 2006. We are developing similar guidelines for OHH risk assessments to be used at all sites. We initially intended to collaborate with the U.S. National Institute for Occupational Safety and Health on this initiative. Unfortunately, we had to change our plan because this collaboration would have made it impossible to provide a consistent standard for our operations outside the U.S.

We believe that all accidents are preventable. In 2005, our Safety Collegiate conducted an analysis of the causes of previous fatal accidents at Newmont operations. From this analysis, new procedures have been developed for the investigation of significant and fatal incidents. A key objective during 2006 is to assess the role of health and safety in the selection and management of contractors at each of our sites. We want to ensure that Newmont health and safety standards and procedures are consistently applied by contractors. We monitor and report on contractors' health and safety performance using lag indicators at all our operations, and some sites already use lead indicators. Our target is to implement lead reporting on contractors' performance at all sites by 2007.

In 2005, Newmont chaired the Mining Industry Round Table Group, a joint initiative to share ideas and best practices intended to improve health and safety performance across our companies. Two more companies joined the Group, bringing the total to seven, and a subcommittee on occupational hygiene and health was formed. The Group held a Joint Leadership Interactive Workshop attended by senior managers in June 2005, in Nevada, U.S.

Several of our sites were recognized for their excellent safety performance by external awards. For example, the Holloway site in Canada received the Angus D. Campbell Award for achieving the lowest lost-time injury rates of the



## CASE STUDY: CHAIRING THE MINING INDUSTRY ROUND TABLE GROUP ON HEALTH AND SAFETY

The Mining Industry Round Table Group, chaired by Newmont, ran a two-day conference in June 2005, bringing together representatives from seven leading mining companies to discuss key aspects of health and safety management.

The companies (Barrick, Freeport, Inco, Phelps Dodge, Placer Dome and Sandvik, as well as Newmont) are committed to sharing best practices to promote health and safety leadership.

The Round Table gathered 100 executives and managers who worked with recognized experts in the field to improve our understanding of the issues, and identify how to make progress in eliminating fatalities and major incidents.

The focus was on four topics, each of broad concern in the industry: risk management, leadership, human factors and management systems. Each topic was the subject of an interactive workshop led by an expert. The workshop leaders reported back in a plenary session.

The workshops produced several important messages. Most important among these was that preventing serious incidents requires the right corporate culture as well as effective systems and processes. These systems depend on a corporate culture that regards any fatality as unacceptable and sees investing in safety as a business benefit rather than a cost.

Participants concluded that employees and managers have a lot more control over work environments than they think. Risks need to be understood to improve controls that will lead to improved safety performance.

Participants committed to report back to a Round Table meeting in 2006 on their progress in improving safety.

mines in its region, and the Pajingo mine in Australia took first place in the 2005 Australian Minerals Industry Safety and Health Excellence Awards. Our Nevada operations received the Risk Slammer Excellence Award – the first national award for commitment to miners' health and safety – from the U.S. Department of Labor's Mine Safety and Health Administration. See our local *Now & Beyond* reports for more details (available at [www.newmont.com](http://www.newmont.com)).

#### FIVE STAR ASSESSMENT

A critical piece of the Five Star improvement process is site internal auditing. This was introduced into the 2005 assessment criteria and is intended to drive continuous improvement. Where the annual external assessment identified a reduction in conformance to a specific area of a standard, it generally related to a reduced application of site internal auditing. As highlighted below, the 2005 assessment requirements and outcomes represent a need for sites to apply this additional layer of rigor

to demonstrate their continuous improvement to health, safety and loss prevention management systems.

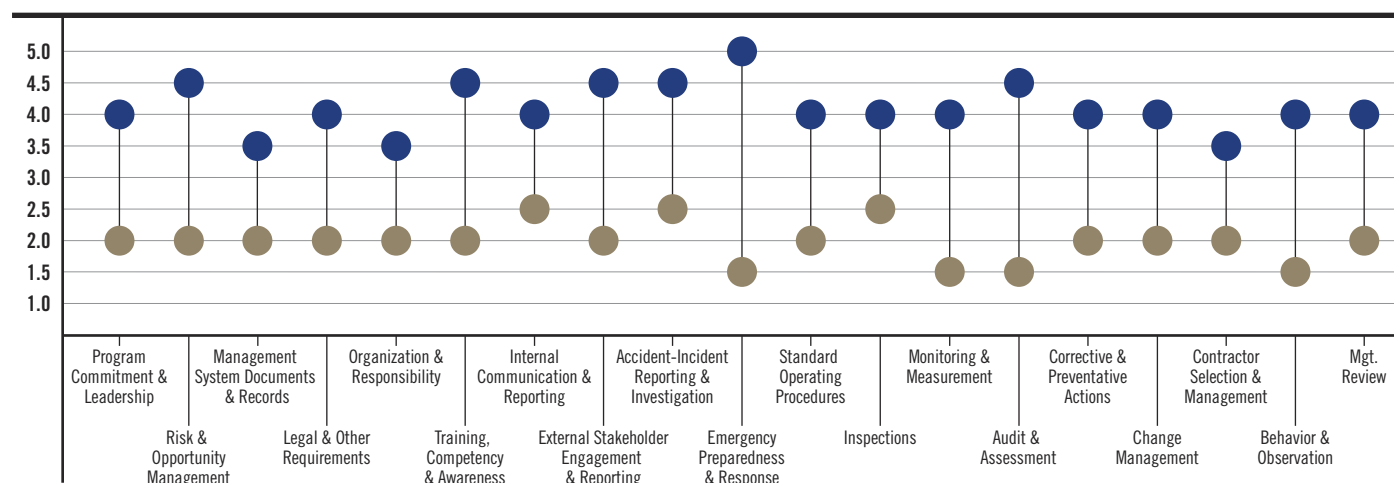
The second graph below shows a comparison of average scores achieved across operating sites from 2004 to 2005. Averages fell in 2005, due largely in part to the restructuring of the Five Star assessment process. A future comparison of 2005 and 2006 scores will present a more accurate picture of the positive steps that sites have taken to improve their management systems.

Details of our Five Star standards are available at [www.newmont.com](http://www.newmont.com).

#### HEALTH SAFETY & LOSS PREVENTION INTEGRATED MANAGEMENT SYSTEM STANDARDS

Range of Scores Achieved Across all Operating Sites 2005    Maximum ■    Minimum ■

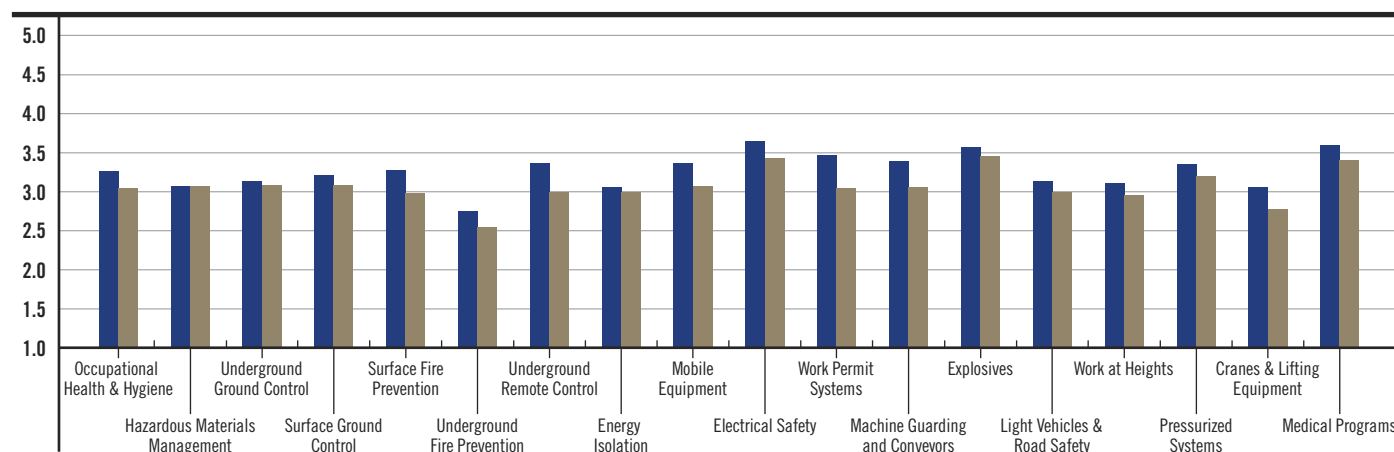
Scores



#### HEALTH SAFETY & LOSS PREVENTION DISCIPLINE-SPECIFIC STANDARDS

Average Scores Achieved Across all Operating Sites 2004 ■ vs. 2005 ■

Average Scores





*Newmont employs 14,996 people and contracts another 19,123 worldwide. The well-being of our workforce is vital to the success of our business. Our goal is to build a workplace culture where leadership and safety are a natural part of the way we operate. Our core values include a commitment to teamwork and honest communication. We expect our employees to act with integrity, trust and respect.*

**TALENT MANAGEMENT**

Our goal is to help our employees develop their skills and view their career at Newmont as a life-long opportunity. We encourage all our employees to share their career aspirations through our individual development planning process. This includes annual discussions to assess their current skills and help them develop an action plan to achieve their goals.

Our succession planning ensures that our best people are well positioned to meet current and future business needs.

In 2005, we assessed more than 800 professionals and managers across the company for leadership potential using our new global talent assessment process. This helps us identify future leaders and assists in designing individual development plans. Our global talent management approach covers leadership potential, succession planning and management, and workforce and career development planning. In 2006, we will refine and expand our global talent management process.

We rolled out our global leadership development program, known as LEAD!, at our core operations in 2005. The program is designed to develop the leadership and business skills of our frontline and mid-level managers.

In 2006, we will implement an accelerated development process to ensure talented employees will be ready to assume critical positions in the future.

**TRAINING AND DEVELOPMENT**

In 2005, we spent a total of \$12.3 million on 993,129 hours of training and development for our employees. This is equivalent to an average of 66 hours of training per employee.

We conduct team strategy workshops to build on our commitment to teamwork and to help improve the effectiveness of working relationships. These workshops are targeted at management teams across the company.

In 2005, we launched our Executive Leadership Development Program, developed in partnership with Colorado's leading business school, the University of Denver's Daniels College of Business. The program focuses on finance and business acumen, strategy and execution, ethics and corporate social responsibility, and leadership. Two groups of 16 executives and emerging leaders from Newmont operations around the world

attended the three-week program. Two additional groups will take the program in 2006.

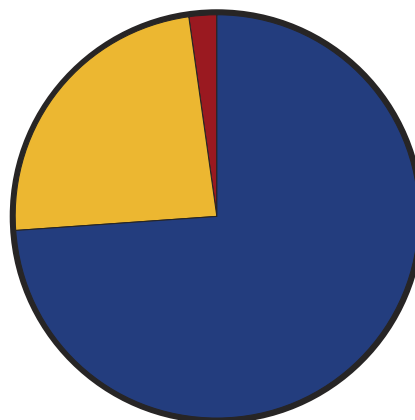
We continued to collaborate with the University of Nevada, Reno's Mackay School of Earth Sciences and Engineering in 2005 and we sponsored a program leading to an Executive Certificate on Minerals Resource Management Risk and Opportunity. The program teaches participants the importance of managing risk, with particular focus on environmental and social issues, including health and safety, as part of a successful business strategy. In the first year of the course, 60% of students were Newmont employees.

Our Global Internship Program provides practical work experience for college students around the world. This program helps widen our long-term professional skills base by training future professionals in various areas of the organization, including the traditional areas of mine engineering, metallurgy and geology.

In 2006, we will roll out our People Development Center across the company. This web-based tool will help us manage performance, competency assessments, individual development planning and training.

**GLOBAL EMPLOYEES**

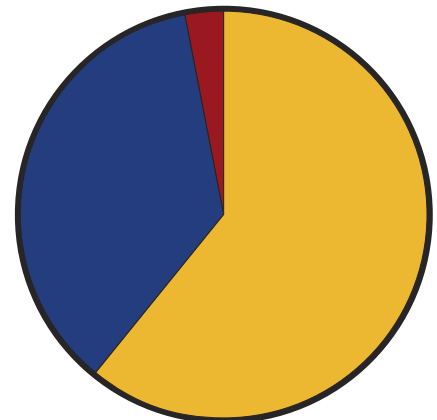
TOTAL: 14,996



■ 74% Local Communities  
■ 24% Nationals  
■ 2% Expatriates

**GLOBAL CONTRACTORS**

TOTAL: 19,123



■ 61% Nationals  
■ 36% Local Communities  
■ 3% Expatriates



2005 TARGETS	PROGRESS IN 2005	2006 TARGETS
Launch our Executive Leadership Development Program.	Launched the program – 32 Newmont executives and emerging leaders attended in 2005.	<i>Continue Executive Leadership Development Program.</i>
Implement a process to assess global talent and develop a highly skilled professional and technical workforce.	Assessed more than 800 managers across the company for leadership potential using talent assessment process.	<i>Refine and expand our global talent management processes.</i>
Establish a Global eRecruiting tool, allowing applicants to apply for jobs online.	Implemented global eRecruiting tool.	<i>Gather baseline data on applicants to better direct our recruiting efforts.</i>
	Rolled out LEAD! program at all core operations to develop leadership and business skills of frontline and mid-level managers.	<i>Continue LEAD! program for frontline and mid-level managers.</i>
		<i>Implement our People Development Center across the company to improve management of performance, competency assessments, individual development planning and training.</i>
		<i>Implement an accelerated development process to ensure talented employees will be ready to take up critical positions in the future.</i>
		<i>Develop and implement a tool to help ensure fair compensation across the company.</i>

We introduced our Gold Medal Performance Plus management system in 2005, which combines our risk management and continuous improvement functions, and will be used to identify and apply best practice in training and development programs for our people. In 2005, more than 60 employees in Ghana, Indonesia and Peru participated in a series of intensive five-day workshops on the management of risk and opportunity. In addition, 25 managers attended one-day workshops in Ghana and Indonesia.

#### DIVERSITY AND EQUAL OPPORTUNITY

We are committed to equal opportunities for employees at all our operations. We have equal opportunity policies in place at our sites, available for employees on our intranet. We are committed to hire and promote the most qualified individual for each position, regardless of age, disability, gender, sexual orientation, nationality, race or religion.



#### GENDER DIVERSITY IN MANAGEMENT (percent female)

	2004	2005
Board of Directors	0	14.3
Senior Management	4.7	9.5
Middle Management	10.0	10.5
Frontline Management	7.4	9.2
<b>Total Employees</b>	<b>9.0</b>	<b>9.9</b>



## CASE STUDY: BREAKING DOWN CULTURAL BARRIERS IN AUSTRALIA

Breaking down cultural barriers and providing jobs and training for indigenous people is a key concern for Newmont's Australian operations. More than half of Aboriginal people across Australia are unemployed, and many live below the poverty line.

Our cross-cultural awareness course is designed to improve employees' understanding of Aboriginal cultures and encourage indigenous employees to stay on at the company by providing a less threatening workplace environment. The two-day course has proved so successful that employees from the police, universities, schools and government departments are asking to attend.

Colin Guy, Senior Constable at the Yalgoo police station near the Golden Grove mine in Western Australia, said after attending the course: "I gained valuable information about the Yamatji cultural beliefs, which gave me the ability to implement a better relationship between police and the indigenous community in Yalgoo."

At our Tanami and Jundee sites, we introduced a vocational training program for indigenous people to provide initial teaching and on-the-job training in different types of work. The program was developed in conjunction with the Central Land Council – the representative body promoting Aboriginal rights. Successful graduates from the nine-week program go on to become full-time employees as positions become available.

In addition, our Pajingo site offers a scholarship program to help young indigenous people continue their education at degree level. Four students graduated in 2005 through the scholarship program.

Newmont won a national award from the Australian government in June 2005 for its achievement in increasing the number of indigenous employees in remote locations.

Managers and supervisors have direct responsibility to ensure there is no discrimination. Our Compliance Line is available 24 hours a day for employees to report cases of discrimination or harassment as well as any other violations of our Code of Business Ethics and Conduct (see page 8).

All new employees receive a copy of the Code and information on our Compliance Line. Our welcome pack for new employees includes information about our website, where they can find our employment policies and other sustainability material.

In 2005, we created a Diversity Council with representatives from all major sites to promote diversity, identify challenges and raise awareness of diversity activities.

Mining has traditionally been a male dominated industry, which is reflected by the fact that 90% of our employees are men and 10% are women. We made significant progress in improving gender diversity in 2005, increasing the number of women at all levels in our business, see page 25.

To improve cultural diversity, we continue to build on our indigenous employment programs. We signed an agreement with the Australian government in November 2003 to provide permanent employment opportunities for 100 indigenous Australians over two years. Since then, we have recruited an additional 101 indigenous employees to our staff and contractor workforce. The proportion of Aboriginal employees at our Tanami operations rose to around 23% in 2005 from 10% the previous year. In 2005, we rolled out a training course for indigenous people at our Tanami and Jundee sites (see box at left).

As a member of the Minerals Council of Australia, Newmont Australia will participate in the Council's Memorandum of Understanding with the Australian Government signed in 2005. This outlines partnering agreements to increase employment and business development opportunities for Aboriginal Australians.

We continue to work with various bands of the Western Shoshone in Nevada to improve employment and business opportunities.

#### **INTERNATIONAL ASSIGNMENTS & RECRUITMENT**

As a multinational company, our employees have the opportunity to work all over the world. Positions are advertised on our global intranet so all employees are aware of job opportunities. Our global eRecruiting tool allows applicants to apply for jobs online. This was introduced in 2005 and is available to all sites. Our operations in Australia, Ghana and the United States have been the first to implement the eRecruitment technology. All Newmont sites are able to post open positions on [www.newmont.com](http://www.newmont.com).

Cross-cultural awareness and communication programs are promoted on our website for international assignees to encourage cultural diversity.

We launched our Developmental Assignment program in 2005 to encourage employees to take expatriate assignments. These include extended periods of training in different countries. The number of employees working outside their home country has increased from 237 in 2004 to 288 in 2005.

#### **PAY AND BENEFITS**

Our global compensation program ensures that we provide fair pay to employees at all our operations worldwide. This program allows us to assess levels of compensation at each site internally and externally, as well as in comparison with other companies in the mining sector.

Offering relatively high salaries in developing countries has a real potential for creating social jealousies in the communities in which we operate. We

survey our salaries annually to ensure they remain competitive without distorting regional economics.

We offer comprehensive benefit programs to meet the needs of our employees and their families. We continually evaluate the benefits we offer to ensure they are attractive to our employees and help us attract and retain the best people.

#### **COMMUNICATING WITH OUR EMPLOYEES**

Effective communication with our employees – who are important stakeholders – is vital to our business. We communicate with our employees through personal interactions, our intranet, meetings, memos and newsletters to share information on our values, policies and standards, business and operations. Teams from around the world meet in person or by telephone to exchange information and share best practices across the company.

#### **MINE CLOSURE AND RELOCATION**

Our objective at mine closure is to offer continuing employment opportunities for as many of our employees as possible throughout Newmont's global operations. Where this is not possible, we provide support and training to maximize their opportunities for alternative employment.

Our Global Pipeline program helps us identify employees who are completing an international assignment for relocation to other Newmont sites. Local managers place eligible employees in the pipeline when their assignment has six months to run.

We offer outplacement services – helping with resume-writing, interview skills and networking – for employees affected by mine closures and encourage them to pursue internal job opportunities.

## **CASE STUDY: PREPARING YOUNG PEOPLE FOR BUSINESS IN DENVER, COLORADO**

In August 2005, Newmont's corporate office in Denver took on four new interns – all high school students – as part of a work-study program to help low-income students living in inner-city areas.

The four, aged 15 and 16, attended a three-week intensive course to learn basic business skills before starting work. Since then, they have been integrated into the workforce like any other employee, working in various office jobs – from receptionist to managing commercial invoices for international shipping – and receiving quarterly performance reviews.

They work one day a week at Newmont and attend school the rest of the time. Instead of paying them directly for their work, Newmont pays for their tuitions at the private Arrupe Jesuit High School. Tuition for four interns is \$20,000 a year.

The program is designed to help students learn business skills, increase their self-confidence and prepare them for college. But not just the students benefit.

"This has given me and my staff a wonderful opportunity to mentor these young people," says Debbie Robinson, manager of Newmont's relocation, facilities, travel and office services. "It is a very meaningful program that has a positive impact on their lives. We have been amazed at the students' energy and level of responsibility. It has put a spark in my entire staff."



## HIV/AIDS

We recognize the seriousness of the HIV/AIDS pandemic and its potential impact in the workplace. Our global HIV/AIDS standard reflects the principles of the International Labour Organization (ILO) and the World of Work Code of Practice and addresses the three key elements of our HIV/AIDS strategy (see the box below): prevention, non-discrimination and support. We do not tolerate discrimination based on real

or perceived HIV status, and we respect the right of employees to keep HIV-related information confidential.

In Ghana, we have a steering committee and a health program coordinator dedicated to tackling HIV/AIDS. In 2005, we signed a memorandum of understanding with the International Labor Organization (ILO) to support us in the implementation of a workplace HIV/AIDS program in Ghana. We conducted a survey of workers to assess

awareness of HIV/AIDS. The results indicated a need for improved education programs on the transmission and prevention of the disease to encourage behavioral change.

We train peer educators who run HIV/AIDS education programs, distribute and promote the use of condoms and provide referrals for voluntary HIV counseling and testing. Sessions on HIV/AIDS and other sexually transmitted diseases are now included in induction sessions for new employees.

Newmont Ghana is part of the District Response Initiative Management Team that is developing a five-year plan to coordinate, implement, monitor and evaluate HIV/AIDS programs in the district of Asutifi (the location of our Ahafo site).

Beyond Ghana, in 2005, we launched a voluntary anonymous HIV testing program for employees and their families at our Zarafshan site in Uzbekistan, through partnerships with medical services contractors and NGOs specializing in HIV/AIDS. We promote the availability of testing as part of our continuing HIV/AIDS education programs. In addition, free condoms have been distributed, brochures on HIV/AIDS were given to all employees to raise awareness, and briefings on HIV/AIDS were delivered at local schools.

At our Batu Hijau operation in Indonesia, information on HIV/AIDS is included in annual health and safety courses and in orientation sessions for new employees.

## HIV/AIDS STRATEGY

*Our global HIV/AIDS strategy focuses on:*

**PREVENTION:** *Helping to prevent the spread of HIV/AIDS through education, voluntary counseling and testing, and promotion of a healthy and safe work environment.*

**NON-DISCRIMINATION:** *Implementing non-discriminatory workplace programs that reflect local practices, culture and legislation to fight the stigma of HIV/AIDS.*

**SUPPORT:** *For employees and their families through wellness and treatment programs, including antiretroviral therapy where appropriate; and for the communities where we work, through governmental, industry and NGO programs, and through sharing of knowledge and resources where appropriate.*



*We are committed to helping our communities benefit from the success of our business. Our goal is to leave a legacy of increased prosperity and continued opportunity by building the capacity of the communities where we operate to help them sustain their livelihoods after our mines close.*

We believe the best way to achieve this goal is through open communication and regular consultation at every stage of our mining operations, from exploration through to closure.

Our sites have designated employees who are responsible for community development and ensuring that our Social Responsibility Policy (see [www.newmont.com](http://www.newmont.com)) is implemented.

#### ENGAGING WITH COMMUNITIES

Consultation with communities is an important part of the way we do business and provides us with an opportunity to discuss our activities and perspectives

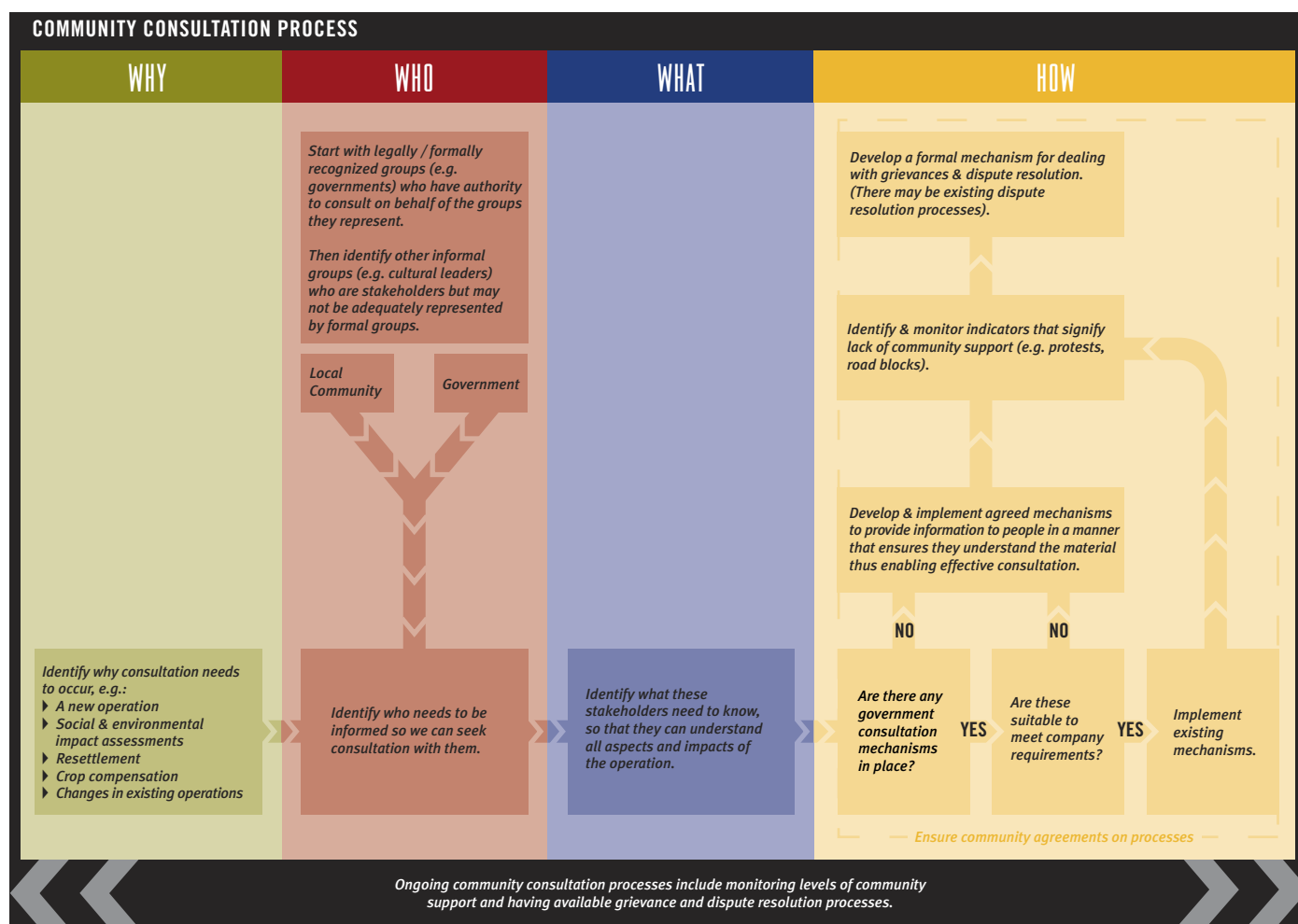
with key stakeholders. We must develop and maintain positive relations and mutual respect with communities around our operations. Our challenge is to behave – in all our activities – so we can strive to maximize value creation during the life of our operation.

Our first interaction with communities comes during the exploration phase. Communication at this early stage is vital to our future relationship with local community stakeholders. In 2005, we developed a handbook for our exploration teams that included guidelines on engagement and building relationships

with communities. The handbook will be distributed in 2006.

Our Five Star standard on stakeholder engagement provides the requirement to ensure that all sites identify key external stakeholders, local decision-making processes and customs before developing a plan to establish an open dialogue with stakeholders.

We provide members of the community with information about our operations as part of the consultation process. Government regulations on consultation are assessed and processes for consultation (such as public meetings, negotiations, and signing sale documents) are agreed with community representatives. Formal mechanisms are developed to deal with grievances and resolve disputes. The diagram below illustrates the process we follow for community consultation.



2005 TARGETS	PROGRESS IN 2005	2006 TARGETS
Implement community engagement training program at all sites.	Distributed training manual to all sites.	<i>Incorporate aspects of the manual into the training program being developed by LEAD International.</i>
Roll out our human rights training program to all operating sites.	Distributed training manual to all sites.	<i>Increase use of training guide at sites and identify sites for further human rights assessments.</i>
Develop a tool that enables sites to assess their potential to create or contribute to conflict within communities.	100% complete.	<i>Distribute tool to all sites and complete a conflict identification assessment at all sites (by end 2007).</i>
Develop a program to improve capacity of community relations and development personnel.	Worked with LEAD International to develop training program for community relations professionals.	<i>Finalize program and roll out to all sites.</i>
Develop guidelines for the implementation of both long-term and short-term community initiatives during project development and start-up.	Incorporated community initiatives into project handbook for each stage of project development.	<i>Develop detailed guidelines for all community initiatives required for each stage of project development.</i>
Continue to develop a management system for Denver corporate office that coordinates community relations initiatives at all Newmont sites.	60% complete.	<i>Continue to develop system.</i>
Identify key global performance indicators for community relations and social responsibility.	100% complete. All sites began reporting on key indicators at the start of 2005.	
		<i>Integrate our social and environmental standards on mine closure and develop a good practice guide on closure and reclamation.</i>
		<i>Continue our Community Health Initiative to include health impact assessments.</i>

We communicate regularly with the communities around our operations and other stakeholders through a continuing program of community meetings, mine tours, *Now & Beyond* site reports, meetings with government officials and community leaders, and discussions with NGOs. Public disclosure documents also contribute to our dialogue with stakeholders.

We distributed a community engagement training manual to all operating sites in 2005 to provide techniques and processes to our employees on engagement with local communities and other stakeholders. We are now working with LEAD International to develop this manual into a full training program for community relations and development personnel, which will be rolled out in 2006.





### ASSESSING OUR IMPACT ON COMMUNITIES

We conduct formal social impact assessments (SIAs) to understand our impact on local communities. We use the information gathered when planning our projects to ensure that their positive impacts are maximized and potential negative impacts are minimized. Our global SIA standard requires all our operations to conduct an SIA before start-up and at regular intervals throughout the life of each mine. Thirteen of our 18 operations have a current SIA. One of the SIA aspects we consider is whether or not there are indigenous stakeholder interests that need to be accommodated. If there are indigenous stakeholder interests that need to be addressed, this is followed-up through our Five Star Program and the four standards that relate to indigenous people. See [www.newmont.com](http://www.newmont.com) for a listing of our Five Star standards.

In 2005, we commissioned a Corporate Engagement Project on our Ghana sites by CDA Collaborative Learning Projects, a non-profit organization working with multinational corporations that operate in areas of socio-political

tension or conflict. The project will help us better understand and address community concerns about our activities at Ahafo and Akyem. The project report is available at [www.cdainc.com](http://www.cdainc.com).

### RESETTLEMENT

Our Five Star standard requires that resettlement is implemented to minimize adverse cultural and socio-economic impacts, and ensure that displaced people share the short- and long-term economic opportunities created by our operation.

In 2005, we continued to engage with local communities on resettlement during the development of our new projects in Ghana (see page 15-16).

### ADDING ECONOMIC VALUE TO LOCAL COMMUNITIES

We contribute to the economy of local communities in part through the taxes we pay, the jobs we create and the suppliers we support. Our economic contribution can be measured as "value added." This is defined as the total sum contributed to host countries (see table on the right).

Our 2005 value added for each country is listed in the table below.

We try to maximize employment of local people and hire local contractors where possible; 74% of employees are local. We provide training for our employees to teach them the required skills for our jobs and develop marketable skills that can be transferred to other jobs when our operations close.

We encourage the development of other businesses in our communities to meet the needs of our operations and our employees. These businesses provide further employment opportunities for local people that may last beyond the operating life of the mine.

### VALUE ADDED DEFINITION

Value Added to host countries is defined as:

Dollars	
+	Total spent on goods & services
+	Total payroll
+	Community investment
+	Taxes
+	Royalties to government
+	Royalties to third parties
+	Compensation payments
+	Political donations
+	Dividends paid to country shareholders
+	Interest paid to country banks
-	International goods & services
-	Expatriate payroll
=	Value Added to host country

### 2005 VALUE ADDED<sup>1,2</sup>

(Million USD)	2005
Australia	615.5
Bolivia	37.8
Canada	85.0
Ghana	94.8
Indonesia	427.6
New Zealand	46.6
Peru	1,025.7
USA	1,301.4
Uzbekistan	40.1

<sup>1</sup> No multipliers used. Value add multipliers substantially leverage each dollar Newmont contributes to the host country economy.

<sup>2</sup> Numbers are based on Newmont consolidated figures.



## BUILDING LOCAL CAPACITY

One of the challenges we face is the lack of capacity of host governments and communities to capture and maximize the economic contributions made by our operations. To address this issue, we will investigate ways to help build the leadership and management ability of local government and community representatives to ensure the long-term sustainability of community development projects.

In Ghana, Newmont's investment agreement (unanimously approved in an open session of Parliament on December 18, 2003) exempts us from payment of local property taxes. In lieu of these taxes, we are working with local communities to establish a community foundation. Through this foundation, Newmont will support capacity-building and infrastructure-development projects. The company will give 1% of gross operational profit from the Ahafo South project plus \$1 per ounce of gold produced at Ahafo to fund the foundation – to be launched in 2006 – and other development projects. This means Newmont will contribute an estimated \$650,000 a year.

We also add value to local communities by providing vocational training, hiring local people, supporting existing local and indigenous businesses and helping to develop new ones. Additionally, we add value by partnering with organizations for community development, including health, education and alternative livelihood initiatives.

## COMMUNITY HEALTH

One of the ways Newmont can add value to communities is to support improvements in healthcare. In 2005, we established a Community Health Initiative to take a collaborative approach with other organizations such as universities, government agencies, NGOs, our affiliates and the local communities where we operate.



The goals of the initiative are to understand both general health conditions and public health systems in local communities; assess potential health impacts from mining activities; promote collaborations to enhance community health and well-being; identify opportunities for sustainable healthcare improvements; and monitor and participate in health research.

In 2005, we collaborated with the University of Colorado Health Sciences Center to conduct pilot health assessments of communities around our sites in Ghana and Peru (see case study, page 36).

Newmont Ghana ran a workshop in December 2005 in Accra. Participants included Ghana Health Services (GHS) and several NGOs on community health around our Ahafo and Akyem sites in Ghana. The workshop was designed to help understand Ghanaian healthcare systems and align our health initiatives with those of the GHS to improve community health. We also attended

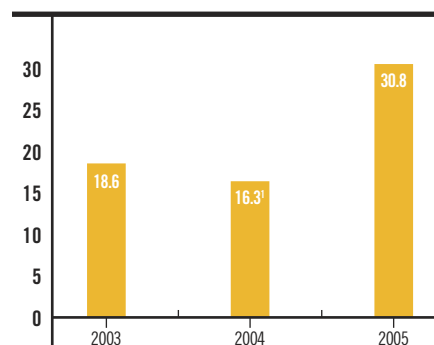
a World Economic Forum workshop on breaking through the barriers that constrain progress in Africa's health care systems.

## COMMUNITY INVESTMENT

One of the ways we invest in communities is through cash donations and in-kind contributions, or "community investments," for community capacity building, health, agriculture, civil projects,

### TOTAL COMMUNITY INVESTMENT

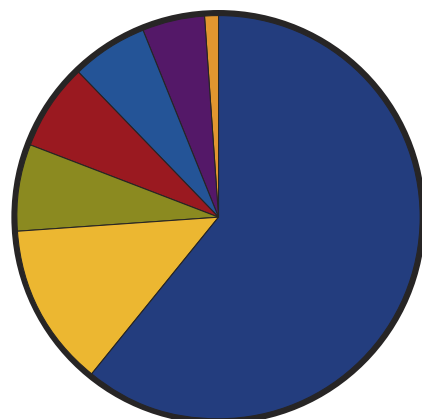
(Million USD)



<sup>1</sup> Corrected for errors in 2004 reporting.

## 2005 COMMUNITY INVESTMENT - MONETARY

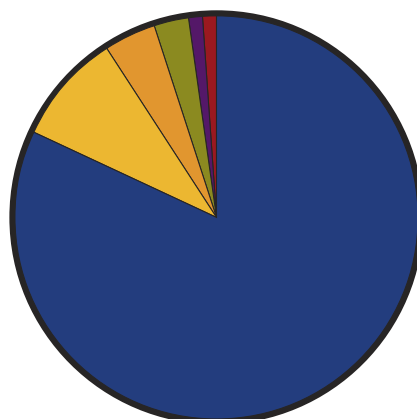
TOTAL: \$28.2 (Million)



- 61% Civil Projects - (\$17.2 Million)
- 13% Capacity Building - (\$3.8 Million)
- 7% Education - (\$2.1 Million)
- 7% Health - (\$2.0 Million)
- 6% Tsunami - (\$1.6 Million)
- 5% Agriculture - (\$1.3 Million)
- 1% Other - (\$0.2 Million)

## 2005 COMMUNITY INVESTMENT - IN-KIND

TOTAL: \$2.5 (Million)



- 82% Civil Projects - (\$2.1 Million)
- 9% Capacity Building - (\$0.2 Million)
- 4% Other - (\$0.1 Million)
- 3% Education - (\$0.09 Million)
- 1% Agriculture - (\$0.02 Million)
- 1% Health - (\$0.02 Million)

education and infrastructure. In 2005, we contributed a total of \$28.2 million worldwide in cash donations and a further \$2.5 million in-kind. We spent 0.70% of our revenue on community investment.

In addition to investing in community development and capacity building, we also support disaster-relief efforts and work with our employees on a range of fundraising initiatives.

Newmont made a corporate donation of \$100,000 to the American Red Cross relief work in areas of the southern U.S. that were devastated by Hurricane Katrina in August 2005. In addition, Newmont offered to match every dollar donated to the relief efforts by employees with two dollars donated by the company, resulting in a combined donation of \$90,000. The company also donated a further \$100,000 to the BAMA Works Relief Fund at a fundraising concert held in Denver.

We contributed \$1 million in 2005 towards the construction of a new high school in Banda Aceh, Indonesia, an area severely damaged by the tsunami that hit southeast Asia in December 2004. The school will be built on the campus of the Syiah Kuala University, and trainee teachers from the university will practice classroom teaching there under supervision. This grant forms part of our commitment to donate \$5 million to relief programs following the tsunami. We are continuing to investigate other reconstruction projects that will channel further donations to the areas where they are most needed.

In Australia, we raised AUS\$250,000 (US\$190,545) as part of our commitment to raise AUS\$1 million (US\$762,180) toward a new aircraft for the Royal Flying Doctor Service (RFDS) by matching employee contributions over four years until 2007. The RFDS provides emergency medical aid and community healthcare for people living in remote areas. Fundraising has been particularly successful among employees at our remote Tanami operation in the Northern Territory, which relies on the RFDS for emergency medical treatment.

## CASE STUDY: ARTISANAL MINING IN GHANA

In Ghana, people often set up unauthorized, small-scale mines on land around mining operations. These mines often provide income for families living in poor rural communities, but this small-scale artisanal mining, as it is known, is often dangerous and environmentally destructive.

In August 2005, the media reported that up to 40 artisanal miners were trapped underground at Noyem near our Akyem project site. The Newmont Ghana team, along with other major mining companies in Ghana, immediately began a rescue effort, using AngloGold Ashanti's mine rescue team and working with Dunkwa Continental Goldfields. The Ghana Inspector and Mines Department directed the rescue effort, but despite intensive excavation, we did not find any miners. Unfortunately, because of the level of fear amongst the artisanal miners, they are reluctant to report if any lives were lost.

The United Nations has estimated that the fatality rate in small unauthorized mines is six or seven times higher than it is in larger operations such as Newmont's. The crowded work camps for migratory miners can be unhealthy and cause pollution. Environmental problems also include acid rock drainage, deforestation, soil erosion, river silting and large-scale pollution of river systems with mercury.

Artisanal miners use mercury to extract gold from ore. It is relatively cheap and readily available, but also dangerous. The miners mix mercury and water with soil containing gold. The gold binds to the mercury, forming an amalgam that is about 40% mercury. Heating the amalgam vaporizes the mercury and leaves behind granular gold. Miners are at risk from exposure to the mercury, which can also cause problems when it is released to the environment.

The mines may not even provide significant income for those who are not first to the site. As the number of miners rises, productivity tends to fall, resulting in lower income per miner.

Newmont works closely with local governments, communities and international aid agencies on public information campaigns to educate artisanal miners about the dangers of mercury poisoning.



## CLOSURE

Our goal throughout mine life is sustainable development at closure. We create many jobs when we start-up operations at new sites, but far fewer during closure and rehabilitation. We work closely with community stakeholders to make these transitions as smooth as possible and to ensure communities retain a lasting benefit from our presence.

Closing a mine can have significant impact on local communities. Well in advance of closure, we work closely with them to develop a plan to minimize these impacts. In 2005, we developed and implemented a Five Star standard on closure to ensure that each site considers the social implications of closure at all stages of the mine's lifecycle. Sites must assess the potential social and environmental impacts of closure and begin planning for closure right from the start of a project. The earlier closure is considered, during the life of a mine, the stronger the opportunity for a site to establish sustainable benefits during and beyond the life of the mine.

Our strategies for closure integrate social and environmental aspects with financial and operational considerations. Sites are required to set up a process for reviewing and updating closure plans regularly with external stakeholders over the life of the mine.

In 2004, we reported on the closure of Kori Kollo in Bolivia. Closure of the mine has been postponed until 2009, but the closure plan has already been updated in consultation with the community. The plan includes the transfer of all mine-related infrastructure to the community, including roads, utilities and an airport built to serve the operation. A fishery is being developed that will make use of the former open pit mine, which has been transformed into a lake.

A closure plan for Minahasa in Indonesia was developed in consultation



## CASE STUDY: PREPARING COMMUNITIES FOR SITE CLOSURE IN INDONESIA

At our Batu Hijau mine in Indonesia, we are helping local farmers significantly increase the yields of their rice crops as part of our community development program.

We are working with a local NGO, YSTP (Yayasan Serikat Tani Pembangunam/Foundation of Development Farmers Association) to train 20 farmers from each community around Batu Hijau in the Madagascar System of Rice Intensification. The technique dramatically increases rice crop yields, helping farmers move beyond subsistence farming by growing enough crops to sell and generate an income. Rice seedlings are transplanted earlier to generate up to 15 times more shoots from each plant than conventional methods. The seedlings are planted individually rather than in clumps to allow better aeration, easier access for weeding, and more room for root development. Farmers are also encouraged to use compost rather than man-made fertilizers, which reduces both costs and environmental impacts.

Farmers trained in the technique have already produced up to three times more rice per hectare than they had using traditional methods, with yields increasing from 2-3 tonnes per hectare to 6-7 tonnes per hectare.

The agriculture program is just one of the ways we are helping to boost the local economy and ensure a smooth transition for the local community after closure.

with communities and approved by the Indonesian government in 2002. Operations ceased at the site in 2004, and we are working with communities on alternative livelihood programs.

In 2005, we continued our aquaculture program, which resulted in successful harvests of Baramundi fish. These fish are in high demand at both local and national markets. We also partnered with a local company to build a cold storage plant for fish processing and storage, which will enable local

fishermen to sell their catches to the company at a higher price than on the local market.

Projects to improve local infrastructure such as school buildings, public toilets, drainage and waste disposal facilities continued in the Buyat Village and Ratatotok communities. We also distributed around 12,000 new textbooks to local schools and awarded 300 scholarships for high school and college students.

See page 45 for information on the environmental aspects of closure.



## CASE STUDY: INVESTING IN COMMUNITIES AT YANACocha, PERU

Yanacocha is investing in the future of Cajamarca and the surrounding region through our community development projects, designed to ensure that local people will benefit from the presence of our business. Yanacocha has committed \$40 million to build a new road that will connect several communities and boost economic development in the region, as well as improving transport links to our mine. Yanacocha is also building a \$500,000 road to the remote community of San Cirilo. This road will provide access to schools, markets and basic services.

The Asociación Los Andes de Cajamarca (ALAC), a foundation formed by Newmont and the Compañía de Minas Buenaventura in 2004, continues to support entrepreneurs in the Cajamarca area. It aims to strengthen local businesses focusing on tourism, handicrafts, agribusiness, construction and mine suppliers.

Yanacocha is also participating in the International Finance Corporation's SME Linkages Program in Peru to help strengthen small businesses in Cajamarca. Local agribusinesses are trained in areas such as quality assurance, manufacturing practices, pricing structures and technology know-how. Local artisans in the ceramic and textile sectors receive technical training to upgrade their design skills and production capacity.

The program aims to greatly improve opportunities for businesses to supply larger companies (including Yanacocha) with goods and services by helping them meet internationally recognized standards for safety, environmental and business practices.

### COMMUNITY FATALITIES IN GHANA

We deeply regret that a series of fatal accidents involving community members occurred near our sites in Ghana in October and November 2005.

In October, two men from the hamlets of Jamasi and Mampong in the Ashanti region drowned attempting to cross a reservoir constructed as part of the Ahafo mining project. We have placed additional warning signs and increased patrols of the reservoir as a result of the incident, as well as intensified our efforts to raise awareness about the dangers.

In November, there was a fatal shooting by police during a community protest. We continue to work with the mining industry to encourage the Ghanaian government to join the Voluntary Principles on Security and Human Rights with the objective of developing more appropriate methods of crowd control.

There were also three fatalities as the result of vehicle accidents. We have increased our efforts with employees and contractors to vehemently reinforce the importance of road safety.

### COMMUNITY RELATIONS AND DEVELOPMENT PERFORMANCE INDICATORS

In 2005, we identified key indicators for community relations and social responsibility to measure our performance against our desired behaviors, and all sites are now reporting against these indicators.

#### ► Stakeholder Mapping & Analysis

*The Stakeholder Mapping & Analysis indicator shows that operations are taking steps to identify and more effectively manage relationships with their external stakeholders. It drives the use of basic tools to identify key stakeholders, understand their key issues and develop strategies to work with them.*

#### ► Social Impact Assessment (SIA)

*SIA is a tool used to understand the social context around the mine. It also identifies potential positive and negative impacts that may result from the mine's activities. Social impact assessments were required for all Newmont operations in 2003. By utilizing SIAs, we can gain a better*



understanding of how the operation impacts communities, and the information collected can be used to develop management strategies based on known risks and opportunities.

#### ► **Training Programs**

The Training Programs indicator tracks community relations and development capacity building programs across our global operations. This tracking includes the number of employees trained in human rights and cross cultural awareness as well as stakeholder engagement. One of the key challenges we face is the lack of capacity in our community relations area. A key aspect of our strategy, starting in 2006, is the development and implementation of a training program for community relations and development professionals by LEAD International (for further information refer to [www.lead.org](http://www.lead.org)).

#### ► **Incidents**

Reporting incidents provides an indicator that tracks community and external relations incidents across the operations. This area is not well understood in our business, but if we can get it right, we should be able to develop an understanding of how multiple low-level incidents can escalate to something more serious.

#### ► **Non-compliances**

Although there are few legal compliance requirements in the social area, understanding our ability to meet those that do exist is one indicator that reflects how well we are managing this area of the business.

We have also created a set of requirements for sites listing activities that must be completed before a project can move into the next stage of development. These requirements include community engagement and development activities that will help ensure communities can maximize the benefits from a new mine and mitigate any negative impacts.

#### **FIVE STAR ASSESSMENT**

Our Five Star Program (see page 12) provides standards and guidelines on community relations for our operations, embedded within a process of continuous improvement, covering



## **CASE STUDY: ASSESSING COMMUNITY HEALTH IN GHANA AND PERU**

Newmont established a partnership with the University of Colorado (CU) Health Sciences Center in 2005 as part of our global community health initiative. This initiative is designed to help us better understand and contribute to public health of the communities where we operate and target our investment effectively. Newmont provided more than \$700,000 in 2005 for the school to carry out independent health assessments of the communities around our operations in Congo, Peru, and Ahafo, Ghana.

Richard D. Krugman, MD, Dean of the CU Health Sciences Center, said: "Partnering with Newmont will provide the school with fantastic global health opportunities that will lead to greater knowledge and understanding of our increasingly global medical community."

The assessments highlighted pressing health issues, including access to water, sanitation and health education. They identified initiatives which could significantly improve community health in each region.

In Ghana, suggested initiatives include: enhancing measures to reduce malaria; supporting the Regional Health Directorate in testing and treatment of HIV/AIDS; improving training, prevention and treatment of childhood diseases; providing more health checks for pregnant women and mothers to reduce maternal mortality; increasing access to clean water; and improving sanitary and waste collection facilities.

In Peru, proposed initiatives include: conducting a household health study to establish a baseline and monitor progress every few years; establishing a safe and sufficient water supply and effective sanitary facilities; training local healthcare workers; improving health education by supporting female education, training teachers, and establishing health education programs on local radio; and improving the communications infrastructure.

Newmont and the University of Colorado Health Sciences Center will continue to work with local communities, NGOs and relevant governmental authorities to develop and implement these plans. All data from the assessments are open and available to the public.



areas such as land acquisition and access, community investment, indigenous employment and business support, and stakeholder engagement.

A critical piece of the Five Star Program is internal auditing by each site, which provides immediate feedback and verifies the effectiveness of their systems to manage risks. This internal audit requirement was introduced into the 2005 assessment criteria and is intended to drive continuous improvement. Where the annual external assessment identified deficiency in a standard, it was generally due to lack of site internal auditing

processes, which are intended to identify these instances. As shown in the graph below, the 2005 assessment shows a need for sites to apply this additional level of rigor to their continuous improvement of community relations management systems.

2005 was a critical year for the Five Star Program. After performing an in-depth analysis of the program at the end of 2004, positive steps were taken to redefine the assessment process. The “star” rating system was restructured to better measure conformance to the intent of the standard. The second

graph below shows a comparison of average scores achieved across operating sites from 2004 to 2005. There were no substantial improvements in 2005, largely because of the restructuring of the Five Star assessment process. A future comparison of 2005 and 2006 scores will present a more accurate picture of the positive steps that sites have taken to improve their management systems.

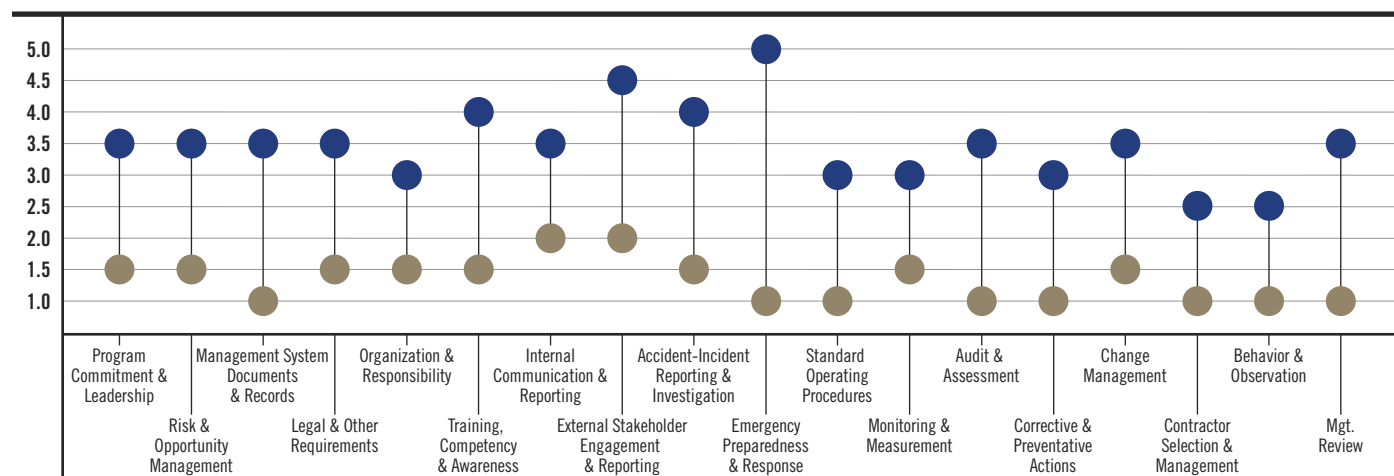
Three sites, Akyem and Ahafo in Ghana and Kori Kollo in Bolivia, received baseline assessments in community relations in 2005.

Details of our Five Star standards are available at [www.newmont.com](http://www.newmont.com).

### COMMUNITY RELATIONS & DEVELOPMENT INTEGRATED MANAGEMENT SYSTEM STANDARDS

Range of Scores Achieved Across all Operating Sites 2005    Maximum ■    Minimum ■

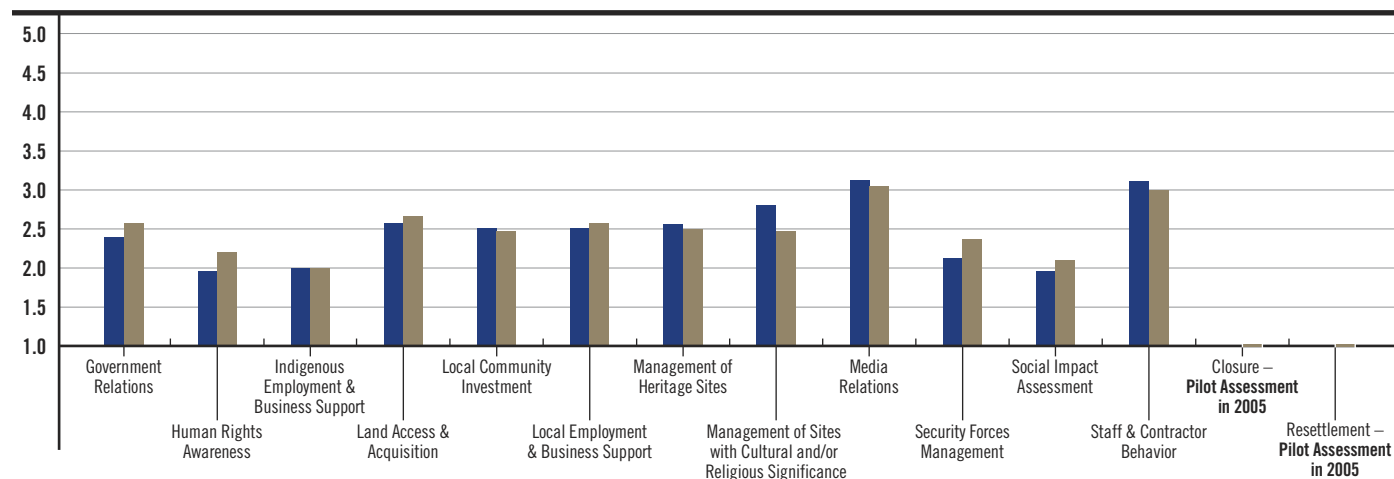
Scores



### COMMUNITY RELATIONS & DEVELOPMENT DISCIPLINE-SPECIFIC STANDARDS

Average Scores Achieved Across all Operating Sites 2004 ■ vs. 2005 ■

Average Scores

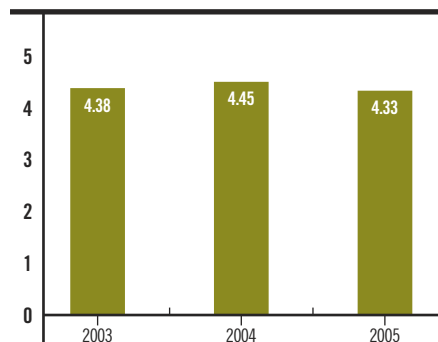


*We are committed to responsible environmental management at every stage of the mine lifecycle, from exploration and operation through closure and reclamation. Our environmental responsibility includes managing emissions to air, land and water, planning for closure during operation, and successfully implementing closure and reclamation programs after mining ceases.*

Our sustainability strategy sets key objectives to drive continuous improvement in environmental performance at our operations and integrate sustainable development considerations within the corporate decision-making process. Our objectives are to promote biodiversity through responsible land stewardship; manage water use to meet operational needs while respecting current and future uses; use energy efficiently and focus on opportunities to reduce greenhouse gases; begin planning for closure during the feasibility phase of a project; and implement reclamation throughout the operating lifecycle of a mine.

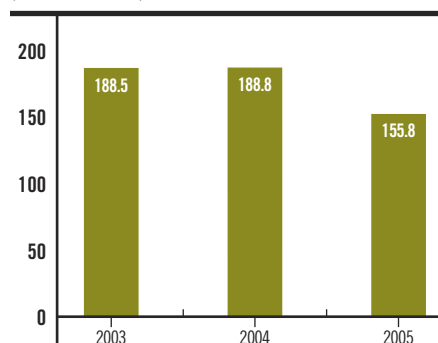
#### EMISSIONS TO AIR - CARBON DIOXIDE (CO<sub>2</sub>)

(Million Tons)



#### EMISSIONS TO AIR - SULPHUR DIOXIDE (SO<sub>2</sub>)

(Thousand tons)



In 2005, we formed an Environmental Collegiate comprised of environmental, operational and technical employees. The Collegiate is a forum to discuss and improve environmental management practices to help deliver on our objectives.

All our employees and contractors are responsible for minimizing environmental risks and complying with our Environment Policy (available at [www.newmont.com](http://www.newmont.com)).

#### AIR QUALITY

Our emission levels must comply with the laws and regulations of the host country or, where these are insufficient or inadequate, we adopt U.S. Environmental Protection Agency national ambient air-quality standards as guidelines for protecting people and the environment around our operations.

In 2005, we began energy assessments of our core operations in Australia, Indonesia, Nevada and Peru, which represent about 81% of our total global energy use and 87% of our total greenhouse gas emissions. This assessment is to help us identify practices that can improve our energy efficiency, reduce costs and lower emissions. The outcomes

from these assessments will be used in 2006 to develop a policy on energy management and climate change that will become the foundation for driving consistent energy and greenhouse gas management practices across the company with a focus on energy efficiency.

In 2005, Newmont emitted 155,758 tons of sulphur dioxide (SO<sub>2</sub>), a 17.5% decrease from 2004. This was primarily due to lower production levels at the Gidji Roaster at the Kalgoorlie mine in Australia, a joint venture with Barrick operated by a third-party management company called Kalgoorlie Consolidated Gold Mines (KCGM). Global nitrogen oxide (NO<sub>x</sub>) emissions totaled 5,710 tons, an 8% increase from 2004 and carbon monoxide (CO) emissions totaled 1,961 tons, a 25% increase from 2004, where 1,600 tons were emitted.

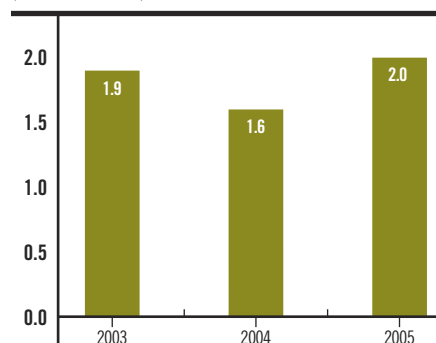
The Nevada Division of Environmental Protection and the U.S. Environmental Protection Agency developed a Voluntary Mercury Reduction Program to reduce air emissions from metal mining operations. Our Nevada operations participated, along with several other mining companies, in the development of these standards. Total mercury emissions from all metal mining operations in Nevada have been reduced by 75% since the introduction of the program in 2002.

#### ENERGY AND CLIMATE CHANGE

Carbon dioxide (CO<sub>2</sub>) emissions from burning fossil fuels contribute to climate change. Our mining operations

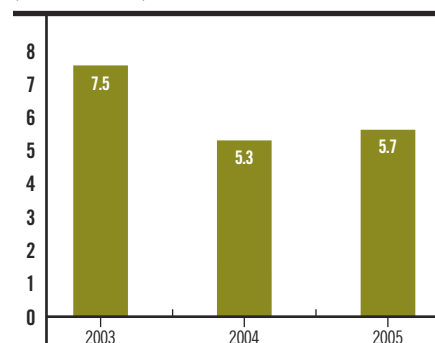
#### EMISSIONS TO AIR - CARBON MONOXIDE (CO)

(Thousand tons)



#### EMISSIONS TO AIR - NITROGEN OXIDES (NO<sub>x</sub>)

(Thousand tons)



## 2005 TARGETS

Ensure every site has both a comprehensive long-term and short-term water management program.

Conduct a biodiversity risk assessment at all operating sites.

## PROGRESS IN 2005

As of December 31, 2005, 65% of Newmont sites had a comprehensive water management program.

As of December 2005, 47% of Newmont sites had conducted a biodiversity risk assessment.

During 2005, in-depth assessments were conducted at Akyem, Ghana, and Yanacocha, Peru.

## 2006 TARGETS

*Complete development of water management programs.*

*Develop best practice guidelines and Key Performance Indicators for water management.*

*Complete biodiversity risk assessments at all operating sites.*

*Develop a global biodiversity policy.*

*Achieve certification to the International Cyanide Management Code at 25% of Newmont operations.*

*Ensure that all our cyanide suppliers and transport companies are certified to the International Cyanide Management Code.*

*Develop best practice guidelines and Key Performance Indicators for closure and reclamation.*

*Complete a global assessment of mercury practices at all operating sites and produce a report on the findings that will help us develop a global mercury strategy.*

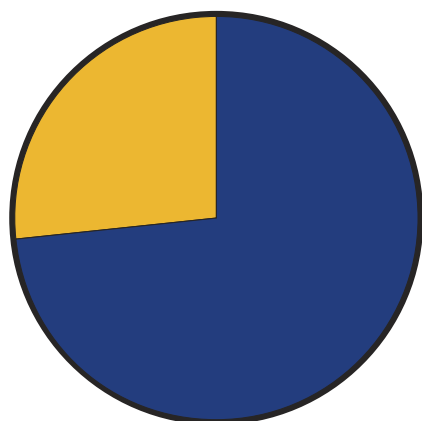
*Develop a global policy on climate change.*

require large amounts of energy, particularly in transporting and processing ore.

Our total energy use in 2005 was 12.8 million gigajoules (GJ). Total carbon dioxide emissions in 2005 were equivalent to 4.33 million tons, of which 1.21

### 2005 SOURCES OF CO<sub>2</sub> EMISSIONS

*Sources of Emissions follow the WBCSD/WRI Greenhouse Gas Protocol*



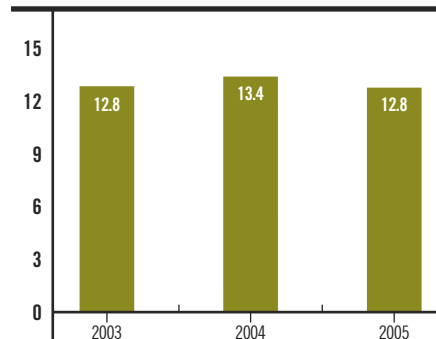
- 78% Source 1 - Direct Emissions (3.12 Million Tons)
- 28% Source 2 - Indirect Emissions (0.02 Million Tons)

million tons is attributable to electricity consumed that is purchased from the grid. [Grid electricity is an indirect energy source (Source 2) per the World Business Council for Sustainable Development/World Resources Institute Greenhouse Protocol or WBCSD/WRI GHG Protocol ([www.ghgprotocol.org](http://www.ghgprotocol.org))].

We recognize that reducing our energy use is good for the environment and our business. Energy accounts for about 25% of the cost of producing an ounce of gold. Our goal is to improve energy efficiency and identify opportunities to reduce greenhouse gas emissions.

### TOTAL ENERGY CONSUMPTION

(Million GJ)







**WATER MANAGEMENT**

Water is a vital issue for many of our stakeholders, and we are committed to the responsible management of this resource to protect human health and the environment. Water management is also a critical component of operational and environmental management at all Newmont operating sites. Water is a basic requirement for the extraction of gold from ore. Therefore, water supply is a key risk that requires careful management to ensure uninterrupted operations.

Potential impacts on water resources for mining operations can include

diminished water supply available to downstream users and degradation of water quality from sedimentation and Acid Rock Drainage (ARD). Activities that contribute to the risk of water resource degradation include pit dewatering, consumption of water required for mineral processing, oxidation of sulfide material resulting in ARD and disturbance of native vegetation.

Newmont invests significant financial and human resources to understand and manage our impact on water resources. With sound planning and execution, impacts to water resources can be effectively managed.

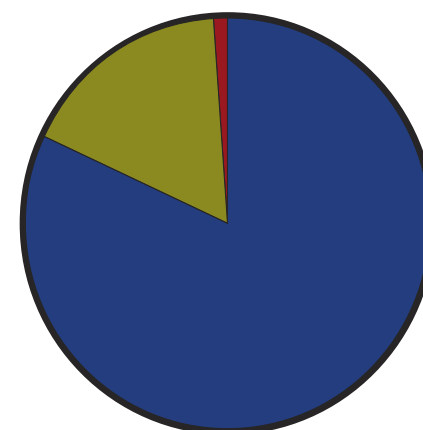
Newmont actively identifies and mitigates the impact of mining operations on water resources through the development and implementation of site-specific water management systems. Water management systems can include sediment and erosion control, active treatment of ARD through operation of water treatment plants, and development of alternative water supplies to offset potential impacts from mining activities. Newmont actively monitors the water management systems and employs continuous improvement programs to ensure performance.

A Water Working Team was established in 2005 as part of our Environmental Collegiate to identify ways to improve our water management. We also worked to ensure every site has a comprehensive, site-wide long-term and short-term water management plan. Though we did not achieve this target (65% of operating sites have a formal water management program), the Water Working Team is providing technical guidance that will help sites complete this task during 2006.

In 2005, our total water extracted was 117,355 million gallons, 81% of

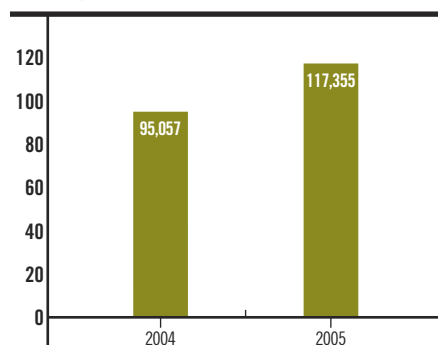
**2005 WATER USE BY TYPE**

TOTAL: 117,355 Million Gallons



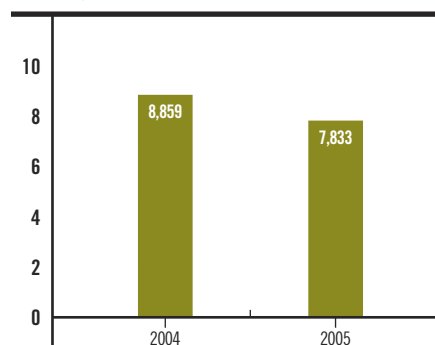
**WATER USE**

(Million gallons)



**FRESHWATER CONSUMPTION**

(Million gallons)



which was seawater utilized by Batu Hijau for power-plant cooling and milling operations, the majority of which is returned to the ocean. Fresh-water consumption from all operations was 7,833 million gallons compared to 8,859 million gallons in 2004. We continue to strive to improve our efficient use of water at our operations.

Our policy for water (as with air) is that discharge levels must comply with U.S. Environmental Protection Agency primary drinking water standards where there is potential impact to human health and the regulations of the host country are inadequate or insufficient.

In Peru, we have developed specific standards for water discharges from our Yanacocha mine based on current U.S. and international guidelines for the protection of human health and the environment. Our standards set maximum levels of beryllium for water that may be used for domestic purposes, which Peruvian law does not regulate. In addition, to protect sensitive aquatic ecosystems, we have set a maximum level for copper in water discharges that is 10 times stricter than that permitted by Peruvian law.

#### WASTE FROM MINERAL PROCESSING

Gold mining involves moving and processing large amounts of rock because the gold is present in very small quantities. We extract the gold from the ore by leaching the rock on engineered, lined pads or by crushing the rock to the consistency of sand (milling), then adding water to form a slurry that is mixed with a cyanide solution. Gold particles bond with the cyanide in solution and are extracted from the slurry. The slurry of crushed rock left after processing is called tailings.

Low-grade ore is treated differently because of the cost of milling. It is broken up into smaller pieces and placed in layers on a leach pad made of an engineered, compacted clay lined with high density polyethylene liners placed on top of the clay. A weak

cyanide solution is dripped onto the leach pad to extract the gold and the gold-laden solution is collected on the lining at the bottom of the pad and flows to double – or triple – lined ponds for processing. Leach pads are specially designed and constructed to ensure the solution is contained to prevent any leakage into ground and surface water.

In 2005, we moved 861.2 million tons of rock. About 42.5% of this was set aside because it contained no valuable metals or too little to be worth processing. Gold, silver, copper, zinc and other byproducts are extracted from the remaining rock and the rest handled as tailings after processing.

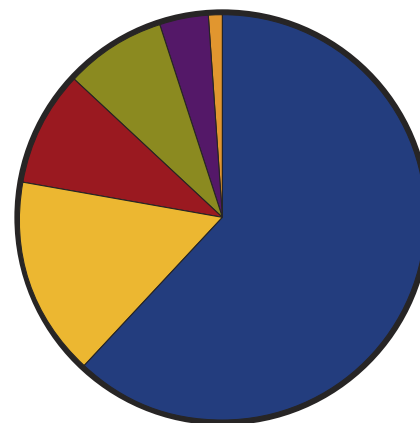
Waste rock and tailings may contain trace amounts of metals that are naturally present in the rock. Waste rock is covered with soil and native plants are grown that will take up moisture and prevent the minute quantities of residual metals from being released from the rock.



#### 2005 MINERAL WASTE DESTINATION BY TYPE

TOTAL: 572 Million Tons

(Includes destination of Tailings/Waste Rock)



- 62% Waste Rock (366 Million Tons)
- 16% Inpit-Backfill (88.7 Million Tons)
- 9% Sub-Sea (48.7 Million Tons)
- 8% Tailings Dam (43.7 Million Tons)
- 4% Other (22.7 Million Tons)
- 1% Underground (2.2 Million Tons)





We store most of our tailings on land in specially designed containment facilities. Potential risks associated with tailings storage facilities include overflow, groundwater contamination from seepage and accidental ruptures. Modern tailings facilities are lined to prevent leaks and equipped with complex systems to recover seepage. Our environmental standards help ensure effective structural design and management of tailings facilities. Tailings are ultimately covered with vegetation as part of closure plans.

In Indonesia, storing tailings on land was not feasible because of heavy rainfall, risk of earthquakes, and a shortage of arable land. Land-based tailings management at Batu Hijau would have affected two river drainages and covered approximately 4,700 acres of arable and forested lands. Because of this, government regulators deemed it preferable to place the tailings offshore in a deep seabed.

Subsea tailings management requires very little land. At Batu Hijau, the tailings are pumped two miles (3.2 kilometers) offshore at a depth of more than 300 feet (100 meters). The tailings then flow down a steep offshore canyon to a depth of 9,840 to 13,000 feet (3,000 to 4,000 meters) below the ocean's surface.

Quarterly monitoring ensures metal concentrations in the tailings remain below acceptable levels established by the Indonesian Seawater Quality Standards for marine biota. Key environmental indicators such as ocean water quality, coral reef condition and trace metals in fish are monitored to evaluate potential impacts on the marine environment. The Indonesian government and local community leaders are invited to participate in this monitoring. However, subsea tailings from our Minahasa site in Indonesia are the subject of continuing controversy (see page 17).

## WASTE MANAGEMENT

Globally in 2005, Newmont removed, treated, stored or disposed of 7,786 tons of hazardous waste from its operations. No transboundary movement of hazardous waste from Newmont's operations took place in 2005.

Recycling of scrap steel, wooden pallets, paper and plastics, batteries and used oil generated in excess of \$278,000 of revenue in 2005. Newmont utilizes materials that are sourced from waste products external to the company. At our Batu Hijau operation in Indonesia, 26,450 tons of mill balls were purchased in 2005; 100% of this product was reprocessed from waste steel recycled by companies that are external to Newmont. Of the 4,400 tons of purchased mill liners, 100% of the steel component was sourced from recycled materials, of which 50% is waste steel material sourced from external companies. Reuse of waste materials across sites also helped to control costs and minimize waste such as at our Pajingo operation, where approximately 840 tons of used mill balls were received from the Batu Hijau and Waihi operations for use in the Pajingo mill.

## CYANIDE MANAGEMENT

A weak cyanide solution is used to extract gold from rock. In 2005, we used a total of 25,890 tons of cyanide.

The International Cyanide Management Code, initiated by the United Nations Environment Program (UNEP), was finalized in early 2005 (see page 5). We worked with companies, the UNEP, NGOs and others to develop the Code. Newmont was one of the first companies to become a signatory to the Code and commit to have all of its operations certified against the Code's standards by 2008.

In accordance with the Code, we are training our employees on the safe transport, storage, and use of cyanide, and related emergency response procedures. The Code also includes a



requirement that our cyanide management practices are externally audited against the Code every three years. These audits will begin in 2006.

During 2005, Newmont developed a detailed guide to provide a framework intended to ensure full conformance with the Code. Each operating site that uses cyanide for gold recovery has appointed a Cyanide Code Manager with responsibility for implementing the requirements of the Code. Our cyanide management audit process helps to minimize risks to our employees, the environment, and the communities where we operate. We conducted internal audits at several sites to identify areas in need of improvement. These sites have developed action plans to address these areas, and we are committed to have all our operations certified against the Code's standards by 2008.

We are also working with cyanide manufacturers and transporters to ensure there is full compliance with the Code throughout our supply chain. Our operations must meet this requirement to achieve certification against the Code. We conducted a risk assessment on transportation routes in Nevada and Peru in 2005 to help us develop a standard on cyanide transport. This standard will be finalized in 2006.

In December 2004, we audited our cyanide supplier to the Zarafshan mine in Uzbekistan to assess conformance with the Code. Several areas for improvement were identified. Newmont worked with the supplier to help the company develop a corrective action plan that will bring the supplier in conformance with the Code. Further information on cyanide and cyanide management is available at [www.newmont.com/en/socialresponsibility/cyanidemanagement](http://www.newmont.com/en/socialresponsibility/cyanidemanagement).



## CASE STUDY: EARNING A GREEN RATING AT BATU HIJAU, INDONESIA

Our Batu Hijau site was the only mine in Indonesia to earn a green rating – the second highest of five levels awarded – in the 2005 Indonesian Environmental Ministry's Corporate Environmental Performance Rating Program (PROPER). The highest level under this program is a gold rating. No gold ratings were issued in 2005.

The program evaluated the site's environmental management and community development programs by analyzing reports on environmental monitoring and management, conducting on-site assessments and interviewing people from local communities.

The green PROPER rating shows Batu Hijau has implemented pollution-control measures to protect the environment, and its performance is better than that required by relevant regulations.

Phil Brumit, Operations General Manager at Batu Hijau, said: "This is the second time we have earned the Green PROPER rating. We are encouraged by this result and will pursue opportunities to further improve our operation."

## MERCURY MANAGEMENT

In certain forms, mercury is toxic to animals and humans. We do not use mercury in the processing or recovery of gold. However, very low concentrations of naturally occurring mercury, in the mineral cinnabar (a very stable compound of mercury and sulphur) are found in rock at some of our mines.

The mercury in the rock is extracted as a byproduct with the gold. It is collected separately, bottled in Department of Transportation-approved flasks, and delivered for sale to be used in scientific and medical equipment, and other commercial applications.

A Mercury Working Team was formed as part of the Environmental Collegiate in 2005. Its goals are to help support the development of a global mercury strategy, including policy, standards and a mercury management program. In 2006, we will assess the mercury production, emissions,

discharges and waste generation at all our sites. We will then conduct risk assessments and set targets to reduce mercury emissions at all identified sources.

## BIODIVERSITY

Biodiversity is the richness and variety of living things – animals, plants, and the ecosystems that support them.

Our mining activities, by their very nature, disturb the land where we operate. We are committed to protect biodiversity throughout the lifecycle of our mines, from exploration to construction, and operation to closure. We conduct detailed surveys to identify key ecological sensitivities in areas where we plan to operate. These surveys help us assess our potential environmental impacts and plan how to minimize negative impacts throughout the mine lifecycle. We are a global level signatory and fully compliant with the International Council of Mining and Metals (ICMM) agreement

with the World Conservation Union, which prohibits mining and exploration in World Heritage areas (see page 6).

In 2005, we began collaborating with Conservation International, an NGO focused on conserving global biodiversity, to help us better understand our impacts and develop a global biodiversity strategy. Our work with Conservation International will ensure that biodiversity issues are fully integrated into our environmental policies, operating standards and management systems to minimize our impacts.

We will develop a global policy on biodiversity in 2006 and integrate biodiversity into our existing Five Star environmental standards. These will provide guidelines on how to assess biodiversity risk at our sites.

In Ghana, Conservation International has helped us identify biodiversity values and risks in and around our development activities. This involved engaging with local stakeholders to better understand the economic and cultural importance of biodiversity to communities to ensure we minimize our impacts.

As of December 2005, almost one-half of our sites have conducted biodiversity risk assessments. During 2005, in-depth biodiversity risk assessments were conducted at Akyem in Ghana and Yanacocha in Peru. We will use these assessments in our development of a policy and tools to manage biodiversity globally.

In New Zealand, we completed a 10-year conservation project in 2005 to restore the banks of the Ohinemuri River running through our Waihi site. We worked with the Waihi Habitat Enhancement and Landcare Partnership to plant around 200,000 indigenous trees and shrubs to prevent further erosion of the riverbanks and encourage biodiversity.





## ENVIRONMENTAL CLOSURE

Our goal is to leave a positive legacy for our communities and the environment. To achieve this, we are developing an integrated approach to closure to take into account community and environmental issues. A crucial part of this is reclaiming disturbed land for beneficial use after our mines close.

In 2005, we initiated reclamation activities on 1,400 acres of land. During the year, an additional 5,600 acres were disturbed for operational activities, of which 70% was for new projects (Ahafo, Phoenix and Kori Chaca). We are in the process of reclaiming – or have already reclaimed – 16,100 acres at our operating sites.

Planning for closure and reclamation begins during the earliest stages of project development, before operations start at a new site, and continues during the development of the mine. Our goal is to minimize the disturbance of land in our exploration activities. We reclaim all disturbed ground, with the exception of roads if the local community or government wants them left intact. Disturbed land is reclaimed progressively during the mine life.

Our Closure and Reclamation Technical Team (CRTT) was created in 2001 to develop and apply a system that ensures the approach to site closure and reclamation, including the costs, are consistently evaluated and reported at every stage of the mine lifecycle. The CRTT system is supported by our Five Star standard on closure and reclamation and helps us comply with U.S. Financial Accounting Standard Board's Statement No. 143 on reporting long-term liabilities.

In 2005, we continued to implement our closure plan at Minahasa in Indonesia, where production was completed in 2004. More than 1,800 trees were planted at Minahasa and around 60% of the mine footprint had been reclaimed by the end of 2005. Although closure of our Kori Kollo mine



in Bolivia has been postponed, parts of the closure plan are already being implemented. The mine pit has been converted into a lake and reclamation of the surrounding area is now complete.

In addition to our own closed operations, we manage a number of historic mining sites. These include mines on land we own as a result of acquisitions, but never operated ourselves, and sites with historic mines that were in operation between the mid-19th and mid-20th centuries, predating our operations there.

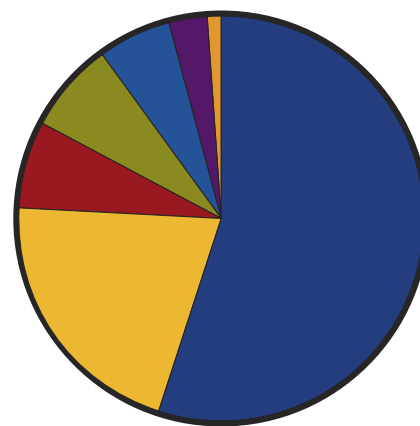
## ENVIRONMENTAL INCIDENTS

Newmont's Five Star Integrated Management System provides the framework for reporting potentially harmful incidents and releases. This allows us to identify problem areas and take action to prevent more serious incidents.

"Incidents" are events or releases that have occurred where there has been a loss of control. They are categorized on five levels, based on their potential

## 2005 INCIDENTS & RELEASES BY TYPE

TOTAL: 2,580 Incidents & Releases



55%	Hydrocarbon Releases (1,456)
21%	Air Releases (537)
7%	Other Incidents (174)
7%	Cyanide Releases (169)
6%	Other Releases (155)
3%	Chemical Releases (86)
1%	Mercury Releases (3)





## CASE STUDY: WORKING ON REFORESTATION IN PERU

Thousands of hectares of land around the Yanacocha mine have been planted with trees under a program to reverse historical, widespread deforestation in this area of northern Peru.

The mountainous region has suffered from centuries of subsistence agriculture. Traditional land practices and over-grazing of animals have significantly changed the rolling landscape, leaving the land unproductive and virtually barren of trees.

We are working with the Cajamarca-based Association for Forest Research and Development, aid agencies, academic institutions and others on an ambitious reforestation program. Some six million hectares of land stretching north from Lima have been identified as suitable for planting. A million hectares of this land is in the Cajamarca region. Yanacocha has reforested 5,000 hectares.

Reforestation has clear environmental benefits. The young trees will absorb carbon dioxide from the atmosphere, helping to offset climate change. They will also support biodiversity by providing habitats for animals, and protect against soil erosion.

Tree planting can also have important economic consequences. It can provide sustainable employment in planting, tending, harvesting and manufacturing, providing valuable jobs beyond the lifespan of the mine.

environmental impact (from Level 1 with no or very low potential impact, through Level 5 with potentially severe impact). In 2005, we recorded a total of 2,580 environmental incidents, in which there was one Level 4 incident for the mercury emissions from KCGM and one Level 5 incident (based on cost of cleanup) for a waste rock dump failure at our Carlin mine. No Level 3 or above incidents or releases resulted from transportation activities in 2005.

### COMPLIANCE

We regularly monitor all our sites' legal compliance with national, regional and local environmental regulations. Throughout 2005, a total of 50 compliance issues were reported across our operations, of which 28 had been resolved and 22 were in the process of being resolved at the end of 2005.

### FIVE STAR ASSESSMENTS

Assessments against our Five Star management standards in environment identified opportunities where sites can improve internal audits and assessments. In 2006, we plan to develop and implement new internal audit tools that will improve our capacity in this area. Many of the operations received a low score in the Behavior & Observation Standard, introduced in 2005, reflecting the lack of procedures addressing this area.

The annual assessments also highlighted areas where our management practices are strong; specifically in the elements of Legal & Other Requirements and Monitoring & Measurement (Ahafo being the main exception due to its status as a project in development). Strong conformance to these aspects in the environmental group continues to support the strong regulatory compliance focus at our operations.

Conformance to the environmental standards has improved overall since 2004, with eight of the 11 environmental risk areas showing higher scores on average. Improvements were made to management processes for hydrocarbons,

chemicals, tailings, waste, water, air quality, closure and reclamation planning, and heap leach facilities. On average, scores in Mercury Management have remained constant, and minor decreases in conformance have occurred in Waste Rock Management and Cyanide Management. Reduced conformance in Cyanide Management has come about largely due to the operations

still developing and progressively implementing plans to adhere to the International Cyanide Management Code, of which Newmont is now a signatory.

Seventy-five percent (75%) of our operations are meeting the three-star level in the areas of Air Quality, Closure & Reclamation Planning and Water Management. The area in which Newmont has the most opportunity

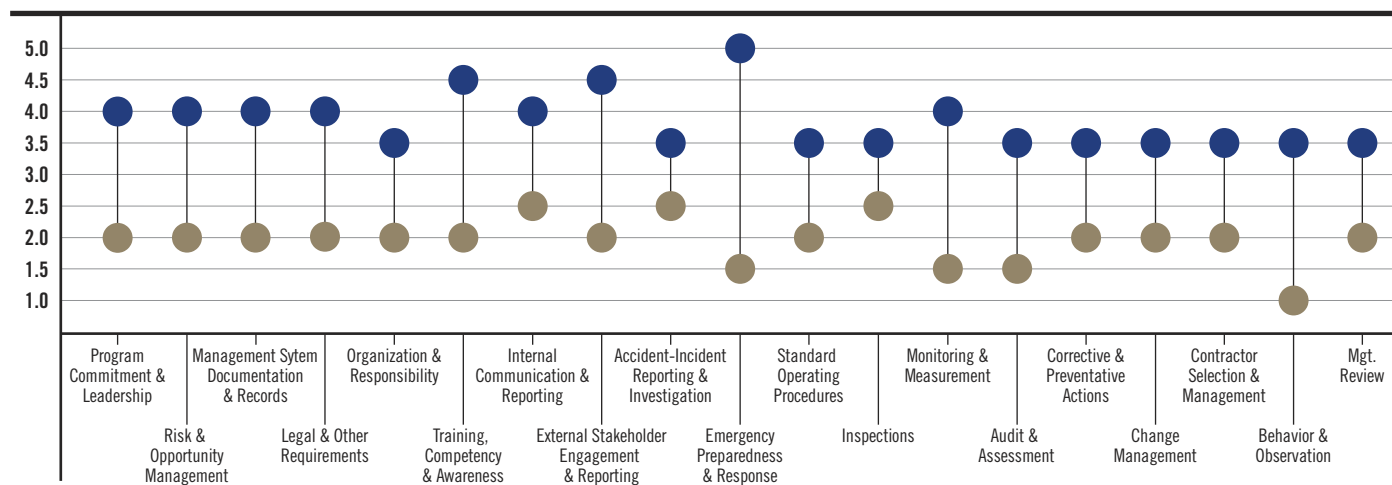
for improvement is in the management of hydrocarbons, where 73% of our operations have scored less than three-stars in their Five Star assessment.

Details of our Five Star standards are available at [www.newmont.com](http://www.newmont.com).

### ENVIRONMENTAL INTEGRATED MANAGEMENT SYSTEM STANDARDS

Range of Scores Achieved Across all Operating Sites 2005 Maximum ■ Minimum ■

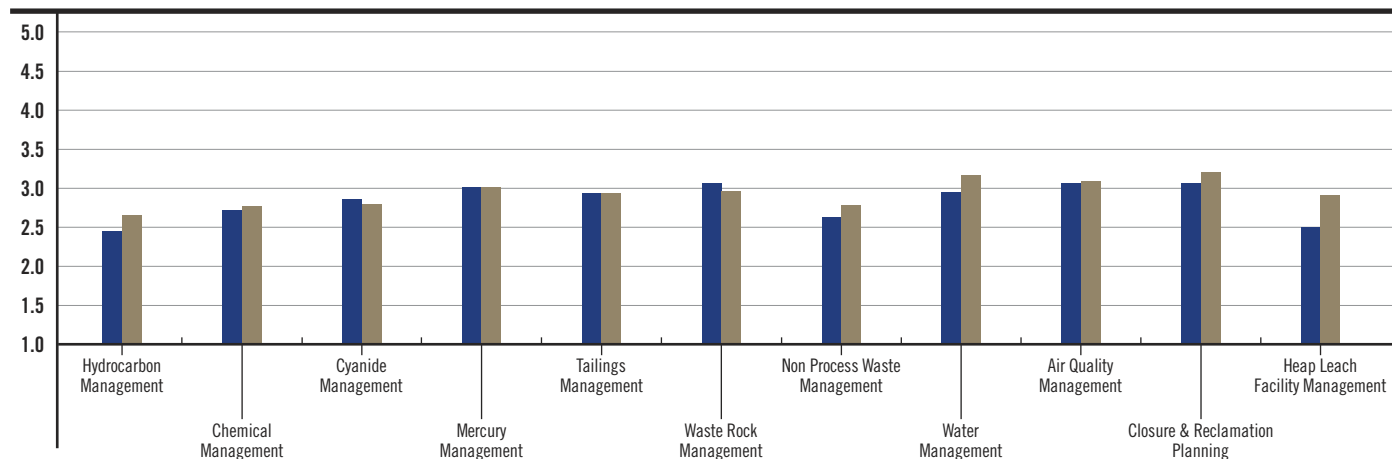
Scores



### ENVIRONMENTAL DISCIPLINE-SPECIFIC STANDARDS

Average Scores Achieved Across all Operating Sites 2004 ■ vs. 2005 ■

Average Scores



**ECONOMIC<sup>1</sup>** (million USD unless otherwise stated)

	Government Royalties	Taxes	Goods & Services Purchased	Percent Local	Payroll <sup>2</sup>	Compensation Payments <sup>3</sup>
Australia	13.68	5.76	485.71	3.41	109.74	0.27
Bolivia	1.99	0.74	50.80	24.70	5.06	N/A
Canada	0	6.94	41.19	13.02	37.00	0
Ghana	0	1.31	268.25	1.67	15.64	4.19
Indonesia	21.00	80.99	442.11	9.08	71.82	0.01
New Zealand	0	6.30	39.90	25.64	7.81	0
Peru	0	238.59	692.06	15.46	79.76	6.30
USA	0	45.54	919.64	46.40	340.78	0
Uzbekistan	0	6.96	35.67	12.33	7.43	0
<b>Totals 2005</b>	<b>36.67</b>	<b>393.11</b>	<b>2,975.31</b>	<b>16.86</b>	<b>675.03</b>	<b>10.77</b>
Totals 2004 <sup>6</sup>	48.35	320.66	2,399.39	18	613.65	4.53
Totals 2003	53.48 <sup>6</sup>	333.03 <sup>7</sup>	2,544.80	9	634.88 <sup>7</sup>	

	Royalties to Third Parties	Community Investment	Value Added <sup>4</sup>	Donations to Political Parties	Subsidies
Australia	6.18	1.34	615.55	0	2.77
Bolivia	0	0.91	37.82	0	0
Canada	0.33	0.16	84.98	0	0.03
Ghana	0	0.46	94.84	0	<sup>5</sup>
Indonesia	0	7.68	427.61	0	0
New Zealand	0	0.32	46.62	0	0.02
Peru	27.39	16.79	1,015.80	0	0
USA	22.41	2.71	1,301.44	0.16	0
Uzbekistan	0	0.39	40.07	0	0
<b>Totals 2005</b>	<b>56.31</b>	<b>30.76</b>	<b>3,665.51</b>	<b>0.16</b>	<b>2.81</b>
Totals 2004 <sup>6</sup>	43.15	16.96		0.12	
Totals 2003		18.60		0.05	

<sup>1</sup> Data reported on Newmont consolidated basis. Further financial data may be sourced from our 2005 Annual Report and 10K Form, both on Newmont.com.

<sup>2</sup> Includes benefits.

<sup>3</sup> Compensation payments are payments made to individuals or the community for hardships and / or loss of livelihood, or potential loss of livelihood caused or that may be caused by mining activities.

<sup>4</sup> No multipliers have been used. Value added multipliers substantially leverage each dollar Newmont contributes to the host country economy.

<sup>5</sup> Systems not yet in place to accurately collect data for this parameter.

<sup>6</sup> Corrected for errors in 2004 reporting.

<sup>7</sup> Corrected for errors in 2003 data.

**ECONOMIC** (million USD unless otherwise stated)

	2003	2004	2005
<b>Revenues</b>	3,059	4,411	4,406
<b>Percentage of Contracts that were Paid in Accordance with Agreed Terms<sup>1</sup></b>		93.25	94.57
<b>Countries Where Total Purchasing Represents 5% or More of Gross Domestic Product</b>		0	0
<b>Total Spent on Non Core Business Infrastructure Development<sup>2</sup></b>			11.2
<b>Investments into Public Infrastructure and its Maintenance<sup>3</sup></b>			12.6

<sup>1</sup> Provided as an average of the business units that measure this parameter.

<sup>2</sup> Amount is included in community investment data and expenditure on public infrastructure and its maintenance.

<sup>3</sup> Most is included in community investments with the exception of \$10,000 for the pit walkway at our Waihi operations.

\* Blank spaces in the data table signify data was not collected or not sufficiently verified.



**OUR PEOPLE** (These data points refer to employees only - unless otherwise specified)

**2003**
**2004**
**2005**
**Total Workforce**

Employees	13,056	13,788	14,996
Contractors	12,159	14,410	19,123

**Employees<sup>1</sup>**

Australia			1,394
Bolivia			555
Canada			315
Chile			2
Ecuador			1
France			1
Ghana			585
Indonesia			4,493
Mexico			3
New Zealand			109
Peru			2,987
Suriname			4
Turkey			2
USA			3,607
Uzbekistan			925
Other			13
<b>Total</b>	<b>13,056</b>	<b>13,788</b>	<b>14,996</b>

**Contractors<sup>1</sup>**

Australia			1,076
Bolivia			363
Canada			98
Chile			0
Ecuador			0
France			0
Ghana			4,218
Indonesia			3,893
Mexico			0
New Zealand			98
Peru			7,126
Suriname			207
Turkey			0
USA			1,928
Uzbekistan			116
<b>Total</b>	<b>12,159</b>	<b>14,410</b>	<b>19,123</b>

**Gender (%)**

Male	89.0	91.0	90.1
Female	11.0	9.0	9.9

**Employment Type (%)**

Part Time			0.4
Full Time			99.6

**Management & Governance Bodies that are Female (%)**

Board of Directors		0.0	14.3
Senior Management		4.7	9.5
Middle Management		10.0	10.5
Frontline Management		7.4	9.2

\* Blank spaces in the data table signify data was not collected or not sufficiently verified.

**OUR PEOPLE** (These data points refer to employees only - unless otherwise specified)

2003

2004

2005

**Unionized Employees<sup>1,2</sup> (%)**

Australia			0.83
Bolivia			7.24
Canada			1.47
Ghana			0.00
Indonesia			54.46
New Zealand			0.00
Peru			12.57
USA			23.43
Uzbekistan			0.00
<b>Total - Global Employees Unionised</b>		<b>36.1</b>	<b>34.93</b>

**Training & Development**

Total (million USD)	7.9	7.9	12.3
Total (hours)	917,087	751,674	993,129

**Average Hours of Training Per Year, Per Employee by Employee Category**

Senior Management		5	14
Middle Management		37	24
Frontline Management		33	34
Technical Professional		33	177
Hourly / Non-exempt Wages		63	43

**Employee Turnover in 2005<sup>1</sup> (%)****EMPLOYEE INITIATED****TOTAL**

Australia	19.2	26.7
Bolivia	3.1	3.1
Canada	8.9	51.1
Ghana	0.5	1.0
Indonesia	0.7	2.8
New Zealand	6.4	8.3
Peru	1.2	3.1
USA	10.7	13.5
Uzbekistan	5.0	5.6
<b>Total 2005</b>	<b>5.5</b>	<b>9.0</b>
Total 2004	5.2	9.3

<sup>1</sup> 2005 is the first year we have categorized by country.<sup>2</sup> Employees that are members of a union or similar representative body.**HEALTH & SAFETY**

2001

2002

2003

2004

2005

<b>Lost Time Injury Frequency Rate</b>	0.57	1.32	0.97	0.77	0.16
<b>Total Reportable Accident Frequency Rate</b>	1.39	2.46	2.07	1.71	1.21
<b>Total Fatalities</b>	7	2	2	2	4
<b>Exposure Hours</b>	48,653,565	60,115,010	68,318,288	70,449,364	84,602,785

\* Blank spaces in the data table signify data was not collected or not sufficiently verified.

## OUR COMMUNITIES

	MONETARY	IN KIND	TOTAL
<b>Community Investments by Country in 2005</b> (million USD)			
Australia	1.12	0.22	1.34
Bolivia	0.54	0.36	0.91
Canada	0.06	0.10	0.16
Ghana	0.43	0.03	0.46
Indonesia	6.54	1.14	7.68
New Zealand	0.32	0.00	0.32
Peru	16.68	0.10	16.79
USA	2.14	0.57	2.71
Uzbekistan	0.39	0.00	0.39
<b>Total<sup>1</sup></b>	<b>28.22</b>	<b>2.54</b>	<b>30.76</b>

	2003	2004	2005
<b>Total Community Investments</b> (million USD)	18.6	16.25 <sup>2</sup>	30.76

## Resettlements (number of households)

Ghana	0	398
Turkey	2	0
New Zealand	4	0

<sup>1</sup> Totals may not equal the sum due to rounding.

<sup>2</sup> Corrected for errors in 2004 reporting.

## OUR ENVIRONMENT

	2003	2004	2005
<b>Products</b> (sold)			
Gold (thousand ounces)	7.4	7.0	6.5
Copper (million pounds)	417.7	422.3	572.7
Mercury (metal) (tons)	85.8	83.1	69.4

\* Includes only equity ounces/pounds sold

## Material Movement

Total Rock Moved (million tons)	783.5	720.3	861.2
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\* includes ore mined & waste rock

## Mineral Waste Management (includes destination of Tailings / Waste Rock) (million tons)

Inpit-Backfill	298.6	88.7
Underground	2.8	2.2
Tailings Dam	51.1	43.7
Sub-Sea	53.1	48.7
Rock Dumps	133.1	366.0
Stockpile	0.1	0
Other (e.g. used as road base, construction material, etc.)	27.8	22.7

## Reagents (thousand tons)

Cyanide Consumption (as CN)	22.57	22.46	25.9
Lime			586.8
Caustic			8.5
Acids			84.3

\* Data in italics has been corrected and revised from 2004 reported data.

\* Blank spaces in the data table signify data was not collected or not sufficiently verified.



## OUR ENVIRONMENT

	2003	2004	2005
<b>Water Use/Consumed</b> (million gallons)			
Total Water Used <sup>1</sup>		95,057	117,355
Surface Water Consumption		8,859	7,833
Seawater Used <sup>2</sup>		70,569	94,868
Groundwater Consumption		5,909	5,840
Mine Dewatering Consumption		9,720	8,815
Fresh		11,888	19,540
Brackish		10,990	1,703
Saline		70,736	96,112
Hypersaline		1,385	0

<sup>1</sup> Water use includes seawater utilized and returned to the ocean plus consumption of surface, groundwater and mine dewatering water.

<sup>2</sup> Batu Hijau reports seawater used for power plant cooling and ore processing, the majority of which is returned to the ocean.

<sup>3</sup> Newmont does not currently collect data and report on the recycling and reuse of water.

**Dewatering Extraction** (million gallons)

Total Mine Dewatering Extraction	44,317	43,344
Fresh	41,769	43,247
Brackish	2,382	66
Saline	167	30

**Total Water Use Extraction vs. Permitted** (million gallons)

Surface Water & Seawater -	Extracted volume	79,428	102,701
	Permitted volume	81,397	105,859
Groundwater -	Extracted volume	5,909	5,840
	Permitted volume	53,958	51,447
Dewatering Extraction -	Extracted volume	44,317	11,367
	Permitted volume	93,083	83,764

**Energy Consumption** (GJ)

Total Energy Consumption	12,863,110	13,411,471	12,777,858
Electricity Purchased from the Grid (indirect energy use)	8,531,316	9,225,864	8,568,399
Site-Generated Electricity (direct energy use)			
Diesel Generators	2,572,867	3,417,342	446,840
Coal-Fired Power	1,490,559	459,219	3,296,822
Gas-Fired Power	268,369	309,046	465,798

**Other Indirect Energy Use**<sup>1</sup>

<sup>1</sup> Newmont does not currently differentiate and track other indirect energy use.

**Greenhouse Gas Emissions** (million tons CO<sub>2</sub> equivalent)

Total	4.38	4.45	4.33
Direct GHG Emissions (Source 1 - WBCSD/WRI Protocol) <sup>1</sup>			
Diesel Consumption			1.66
Gasoline Consumption			0.02
Coal Consumption			1.12
Natural Gas Consumption			0.24
LPG Consumption			0.01
Propane Consumption			0.07
Heavy Fuel Oil Consumption			0.001
Explosives (ANFO) Consumption			0.02
Electricity Indirect GHG Emissions (Source 2 - WBCSD/WRI Protocol) <sup>1</sup>			1.21
Other Indirect GHG Emissions (Source 3 - WBCSD/WRI Protocol) <sup>2</sup>			0

<sup>1</sup> In 2005, Newmont began reporting GHG emissions following the WBCSD/WRI Protocol for Source 1 and 2 emissions.

Though previous years total emissions are correct, breakout by source categorization was not the same and therefore is not shown.

<sup>2</sup> Newmont does not currently differentiate and track other indirect emissions.

# Data in italics has been corrected and revised from 2004 reported data.

\* Blank spaces in the data table signify data was not collected or not sufficiently verified.

## OUR ENVIRONMENT

2003

2004

2005

<b>Emissions to Air</b> (short tons)	% of NEM sites measuring this data		
Antimony (Sb)	26.3		0.44
Arsenic (As)	42.1		6.52
Beryllium (Be)	26.3		0.02
Cadmium (Cd)	26.3		0.03
Carbon Monoxide (CO)	68.4	1,600	1,960
Chromium (Cr)	36.8		3.29
Cobalt (Co)	31.6		0.57
Lead (Pb)	36.8		0.22
Manganese (Mn)	31.6		17.82
Mercury (Hg)	68.4		9.99
Nitrogen Oxides (NOx)	73.7	5,300	5,710
Particulates (PM <sub>10</sub> )	73.7		7,095
Selenium (Se)	15.8		9.07
Sulfur Dioxide (SO <sub>2</sub> )	73.7	188,800	155,758
<b>Hydrocarbon Consumption</b> (thousands gallons)			
Total Diesel		141,213	153,224
Diesel (Contractors)			12,702
Diesel (Site)			140,522
Total Petrol/Gasoline		1,481	1,738
Petrol/Gas (Contractors)			84
Petrol/Gas (Site)			1,653
Total Oils		3,217	3,145
Oils (Contractors)			250
Oils (Site)			2,887
<b>Other Consumables</b>			
Coal (short tons)			552,612
Explosives (includes ANFO & Emulsions)(short tons)			153,573
LPG (gallons)			1,228,277
Propane (gallons)			10,460,185
<b>Recycling</b>			
Used Oil (thousands gallons)		1,003	2,051
Oil Recycling Rate (%)		31	65
Vehicle Batteries (Avg. Weight 50lb/battery) (tons)		178	94
Other Materials			
Scrap Steel (short tons)			42,256
Wooden Pallets (short tons)			2,531
Cardboards / Paper / Plastics (cubic yards)			14,237
Revenues Generated from Recycling (USD)			278,864
<b>Non-Process Waste Data</b>			
Total Waste to Landfill (cubic yards)		398,456	106,419
Total Volume of Hazardous Waste Removed / Treated / Stored / Disposed (short tons)			7,786

\* Data in italics has been corrected and revised from 2004 reported data.

\* Blank spaces in the data table signify data was not collected or not sufficiently verified.



## OUR ENVIRONMENT

	2003	2004	2005
<b>Closure &amp; Reclamation</b>			
New Disturbance During Reporting Period <i>(thousands acres)</i>		3.1	5.6
Total Disturbed - Not Available for Reclamation (at year end) <i>(thousands acres)</i>		53.3	48.1
Total Disturbed - Available for Reclamation (at year end) <i>(thousands acres)</i>		11.8	11.4
New Reclamation During Reporting Period <i>(thousands acres)</i>		3.2	1.4
Reclamation in Progress or Completed <sup>1</sup> <i>(thousands acres)</i>		15.0	16.1
Mine Footprint <sup>2</sup> <i>(thousands acres)</i>		73.5	75.7
Total Mining Lease Area or Area with Access for Mining <i>(thousands acres)</i>		275.4	281.4
Year End Concurrent / Progressive Reclamation Expenditure <i>(million USD)</i>		22.6	40.5
Next Year Budgeted Concurrent / Progressive Reclamation Expenditure <i>(million USD)</i>		40.5	48.2

<sup>1</sup> Includes all reclamation areas, including reclamation in progress, reclamation that meets criteria and relinquished reclamation.

<sup>2</sup> Mine footprint is the total area of disturbance, including areas reclaimed and under reclamation, but excludes unrelinquished areas.

## Biodiversity

Fauna Species (# of IUCN Red Listed Species within the Area of Influence of Newmont's Operations) <i>(number of different species)</i>		29	18
Flora Species (# of IUCN Red Listed Species within the Area of Influence of Newmont's Operations) <i>(number of different species)</i>		0	0
Total Number of all Mortalities <sup>1</sup> <i>(number)</i>	356	319	493
Number of Wildlife Mortalities (Endangered / Listed Species only) <i>(number)</i>	5	4	16

<sup>1</sup> Includes livestock, feral animals, vermin and domesticated animals as well as native, endemic species.

## Area of Total Owned Operated and Non-operated Assets which Occur Within *(acres)*

World Heritage Properties		0	0
IUCN Designated Areas		0	0
Wetlands of International Significance (RAMSAR)		0	0
Areas Where Listed – Threatened Species or Communities Occur <sup>1</sup>		2,438	111
Marine Protected Areas		0	0
Critical Habitats Listed under Regulatory Acts <sup>2</sup>		104	28,055
Critical Habitats not Listed under Regulatory Acts		0	0
National Parks / Reserves		0	0

<sup>1</sup> Reduction due to sale of Golden Grove mine.

<sup>2</sup> Starting in 2006, Newmont includes in this category any area where regulatory agencies define potential for sensitive species to occur.

## Audits/Inspections

Number of Internal Audits		141	101
Number of Contractor / Supplier Audits		14	20
Number of Government or Third-party Audits / Inspections			95

## Fines

Fines <i>(number)</i>	10	3	0
Amount of Fines <i>(USD)</i>	219,840	24,400	0

## Environmental Expenditures *(million USD)*

Environmental Expenditure (Operational + Capital)	140.3 <sup>1</sup>	251.2	69.9
Environmental Expenditure (Research & Development)		1.4	0.67

<sup>1</sup> Includes Legacy sites for 2003

## Incidents & Releases *(number)*

Total number of Incidents & Releases	2,228	2,225	2,580
Level 1	1,852	1,931	2,254
Level 2	354	251	271
Level 3	22	42	53
Level 4	0	1	1
Level 5	0	0	1

\* Data in italics has been corrected and revised from 2004 reported data.

\* Blank spaces in the data table signify data was not collected or not sufficiently verified.



## OUR ENVIRONMENT

2003

2004

2005

### Incidents & Releases by Type (number)

Hydrocarbon Releases	1,353	1,456
Mercury Releases	5	3
Cyanide Releases	112	169
Chemical Releases	136	86
Air Releases	430	537
Other Releases	128	155
Other Incidents	61	174

### Significant<sup>1</sup> Discharges to Water by Type & Volume

0

### Significant<sup>1</sup> Spills of Chemicals, Hydrocarbons Onsite by Type & Volume

0

<sup>1</sup> Newmont defines “significant” as any incident causing a major or severe environmental impact that extends beyond the mine lease boundary and requires considerable effort to clean up or mitigate, and may require a long recovery period and/or cost greater than US\$1,000,000.

### Incidents & Releases Categorised by Whom / Location (number)

Site personnel <sup>1</sup>	1,747
Contractors <sup>1</sup>	666
Onsite	2,541
Offsite	39

<sup>1</sup> One operation does not distinguish between contractor and site-related incidents: therefore, these numbers do not sum to the total number of incidents & releases reported above.

## International Cyanide Management Code Reporting - Reporting Year 2005

	Incidents of cyanide exposure resulting in hospitalization.	Incidents where releases off the mine site required response or remediation.	Incidents where releases on or off the mine site results in significant adverse effects to health.	Incidents where releases on or off mine site results in significant adverse effects to the environment.	Incidents where a release on or off mine site required reporting under applicable regulations. <sup>1</sup>	Incidents where releases that caused exceedances of applicable limits for cyanide
<i>Newmont Site</i>	<i>Level 2 &amp; above</i>	<i>Level 4 &amp; above</i>	<i>Level 2 &amp; above</i>	<i>Level 3 &amp; above</i>		
<b>Ahafo</b>	0	0	0	0	0	0
<b>Golden Giant</b>	0	0	0	0	1	0
<b>Holloway</b>	0	0	0	0	2	0
<b>Carlin</b>	0	0	0	0	61	0
<b>Twin Creeks</b>	0	0	0	0	8	0
<b>Lone Tree</b>	0	0	0	0	23	0
<b>Midas</b>	0	0	0	0	1	0
<b>KCGM</b>	1	0	0	0	0	0
<b>Jundee</b>	0	0	0	0	0	0
<b>Granites</b>	0	0	0	0	0	0
<b>Groundrush</b>	0	0	0	0	0	0
<b>Pajingo</b>	0	0	0	0	0	0
<b>Waihi</b>	0	0	0	0	0	0
<b>Yanacocha</b>	0	0	0	0	0	2
<b>Kori Kollo</b>	0	0	0	0	1	0
<b>Kori Chaca</b>	0	0	0	0	0	0
<b>Zarafshan</b>	0	0	0	0	0	1
<b>Newmont Total</b>	1	0	0	0	97	3

<sup>1</sup> Reporting requirements vary by jurisdiction. Batu Hijau does not use cyanide as part of their processing.

\* Blank spaces in the data table signify data was not collected or not sufficiently verified.



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GRI Indicator	Indicator Description	1	Location	Corresponding Principle			
				GC <sup>2</sup>	ICMM <sup>3</sup>	MDG <sup>4</sup>	SP <sup>5</sup>
1. Vision & Strategy							
1.1	Vision and strategy.	●	p 7-14	8	1		
1.2	CEO statement.	●	p 4-6				
2. Profile							
2.1	Name of reporting organization.	●	p 1				
2.2	Major products / services / brands.	●	AR, p 2				
2.3	Operational structure.	●	AR, p 2-3				
2.4	Description of divisions / operating companies / subsidiaries / joint ventures.	●	AR, 10K - Exhibit 21				
2.5	Countries in which operations are located.	●	p 2-3				
2.6	Nature of ownership.	●	AR, 10K				
2.7	Nature of markets served.	●	p 2				
2.8	Scale of reporting organization.	●	AR, 10K, p2, 3, 31, 48				
2.9	List of stakeholders, attributes and relationships to the reporting organization.	●	p 14				
2.10	Contact person.	●	p 1				
2.11	Reporting periods.	●	p 1				
2.12	Date of last report.	●	p 1				
2.13	Boundaries of report and any limitation on scope.	●	p 1				
2.14	Significant changes in size structure ownership products since last report.	●	AR, 10K				
2.15	Basis for reporting on joint ventures.	●	p 1, 48				
2.16	Explanation of any nature and effect of restatement of information.	●	p 48, 51-54				
2.17	Decisions not to apply GRI principles or protocols.	●	p 1				
2.18	Criteria and definitions used in accounting for economic, environmental and social costs of benefits.	●	p 31, 48, throughout report				
2.19	Significant changes from previous years in the measurement methods applied to key economic, environmental and social information.	●	p 13,14, DT				
2.20	Policies and practices to provide assurance about the accuracy, completeness and reliability of report.	●	p 1				
2.21	Policy and current practice with regard to providing independent assurance for the full report.	●	p 1, 62-63				
2.22	Means by which report users can obtain additional information.	●	p 1				
3. Governance Structure							
3.1	Governance structure.	●	WS, 10K, AR		10		
3.2	Percentage of the board of directors that are independent, nonexecutive directors.	●	WS				
3.3	Process for determining the expertise board members need to guide the strategic direction of the organization, including issues related to environmental and social risks and opportunities.	●	WS				
3.4	Board-level processes for overseeing the organization's identification and management of economic, environmental, and social risks and opportunities.	●	WS		1		
3.5	Linkage between executive compensation and achievement of the organization's financial and non-financial goals (e.g., environmental performance, labor practices).	●	10K - Ex 10(II)				
3.6	Organizational structure and key individuals responsible for oversight, implementation, and audit of economic, environmental, social, and related policies.	●	WS, AR				
3.7	Mission and values statements, internally developed codes of conduct or principles, and policies relevant to economic, environmental, and social performance and the status of implementation.	●	p 1, WS				
3.8	Mechanisms for shareholders to provide recommendations or direction to the board of directors.	●	WS, AR				
Stakeholder Engagement							
3.9	Basis for identification and selection of major stakeholders.	●	p 14		10		
3.10	Approaches to stakeholder consultation reported in terms of frequency of consultations by type and by stakeholder group.	●	p 14, 29 - 30		9		7
3.11	Type of information generated by stakeholder consultations.	●	p 14, 29 -30		10		
3.12	Use of information resulting from stakeholder engagements.	●	p 14		10		

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GRI Indicator	Indicator Description	1	Location	Corresponding Principles			
				GC <sup>2</sup>	ICMM <sup>3</sup>	MDG <sup>4</sup>	SP <sup>5</sup>
Overarching Policies and Management Systems							
3.13	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	●	p 7, 8, 12-13, 14, 19, 29, 39, 44, 54	7			
3.14	Externally developed, voluntary economic, environmental, and social charters, sets of principles, or other initiatives to which the organization subscribes or which it endorses.	●	p 7-8				
3.15	Principal memberships in industry and business associations, and/or national/international advocacy organizations.	●	p 1, 4-5, 7-8				
3.16	Policies and/or systems for managing upstream and downstream impacts, including: ▶ Supply chain management as it pertains to outsourcing and supplier environmental and social performance; and ▶ Product and service stewardship initiatives.	●	p 12-13		8		
3.17	Reporting organization's approach to managing indirect economic, environmental, and social impacts resulting from its activities.	●	p 12-13				
3.18	Major decisions during the reporting period regarding the location of, or changes in, operations.	●	10K				
3.19	Programs and procedures pertaining to economic, environmental, and social performance. Include discussion of: ▶ Priority and target setting; ▶ Major programs to improve performance; ▶ Internal communication and training; ▶ Performance monitoring; ▶ Internal and external auditing; and ▶ Senior management review. Include adherence to environmental management standards, labor, or social accountability management systems, or other management systems for which formal certification is available.	●	p 11, 12-13, 20, 23, 25, 30, 37, 39, 47				
3.20	Status of certification pertaining to economic, environmental, and social management systems.	●	p 13				
4. GRI Content Index							
		●	This Table				
5. Economic Performance Indicators							
EC1	Net sales.	●	p 3, 51, 10K-p 84, 58				
EC2	Geographic breakdown of markets.	●	p 2			8	
EC3	Cost of all goods, materials, and services purchased.	●	p 48		9		
EC4	Percentage of contracts that were paid in accordance with agreed terms, excluding agreed penalty arrangements.	●	p 48		9		
EC5	Total payroll and benefits.	●	p 48		9	1,8	
EC6	Distributions to providers of capital broken down by interest on debt and borrowings, and dividends on all classes of shares, with any arrears of preferred dividends to be disclosed.	●	10K - p 87, 131				
EC7	Increase/decrease in retained earnings at end of period.	●	10K - p 86				
EC8	Total sum of taxes of all types paid broken down by country.	●	p 10, 48		10	1	
EC9	Subsidies received.	●	p 48			8	
EC10	Donations to community.	●	p 32-33, 51			3,4,5, 6,7	
EC11	Supplier breakdown by organization and country.	●	p 48, SR			1,8	
EC12	Total spent on non-core business infrastructure development.	●	p 48		9	1,2,3, 4,5,6, 7,8	
EC13	The organization's indirect economic impacts.	●	p 15-16, 17, 18, 31, 48, SR		9	1	





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GRI Indicator	Indicator Description	1	Location	Corresponding Principles			
				GC <sup>2</sup>	ICMM <sup>3</sup>	MDG <sup>4</sup>	SP <sup>5</sup>
5. Economic Performance Indicators							
MM1	Identify those sites where the local economic contribution and development impact are of particular significance and interest to stakeholders (e.g., remote sites) and outline policies with respect to assessing this contribution. Relevant information includes: ▶ Percentage of goods, materials, and services purchased locally; ▶ Percentage of workforce from local communities; ▶ Investment in public infrastructure and its maintenance; and ▶ Compensation payments.	●	p 15-16, 17, 18, 48				
MM2	Value added.	●	p 31, 48				
6. Environmental Performance Indicators							
EN1	Total materials use other than water, by type.	●	p 39, 42, 51-53	8		7	5
EN2	Percentage of materials used that are wastes (processed or unprocessed) from sources external to the reporting organization. Refers to both post-consumer recycled material and waste from industrial sources. Report in tonnes, kilograms, or volume.	●	p 42	8		7	5
EN3	Direct energy use segmented by primary source.	●	p 39, 52	8		7	5
EN4	Indirect energy use.	●	p 39, 52	8		4	5
EN5	Total water use.	●	p 40, 52	8	6	7	5
EN6	Location and size of land owned, leased, or managed in biodiversity-rich habitats.	●	p 54	8		7	5
EN7	Description of the major impacts on biodiversity associated with activities and/or products and services in terrestrial, freshwater, and marine environments.	●	p 40-41, 44, 45, 54, 55	8	7	7	
EN8	Greenhouse gas emissions.	●	p 39, 52	8		7	5
EN9	Use and emissions of ozone-depleting substances.	●		8		7	5
EN10	NOx, SOx, and other significant air emissions by type.	●	p 38, 53	8		7	5
EN11	Total amount of waste by type and destination.	●	p 41-42, 51, 53	8	6	7	5
EN12	Significant discharges to water by type.	●	p 54-55	8	6	7	5
EN13	Significant spills of chemicals, oils, and fuels in terms of total number and total volume.	●	p 45, 54-55	8	6	7	5
EN14	Significant environmental impacts of principal products and services. (Newmont's principle product is gold. Gold does not have an environmental impact, thus Newmont has interpreted this indicator as potential environmental impacts resulting from our mining processes.)	●	p 39, 40-42, 46, 54-55	8	8	7	5
EN15	Percentage of the weight of products sold that is reclaimable at the end of the products' useful life and percentage that is actually reclaimed.	●	Not addressed in this report <sup>6</sup>	8		7	5
EN16	Incidents of and fines for noncompliance with all applicable international declarations/conventions/treaties, and national, sub-national, regional, and local regulations associated with environmental issues.	●	p 45-46, 54-55		6		
EN17	Initiatives to use renewable energy sources and to increase energy efficiency.	●		8		7	5
EN18	Energy consumption footprint (i.e., annualized lifetime energy requirements) of major products. (Newmont's major product is gold. We have interpreted this indicator as actual energy consumed as a result of our mining processes.)	●	p 38-39, 52	9	8	7	5
EN19	Other indirect (upstream/downstream) energy use and implications, such as organizational travel, product lifecycle management, and use of energy-intensive materials.	●	p 52			7	5
EN20	Water sources and related ecosystems/habitats significantly affected by use of water.	●	p 40, 54		6	7	5
EN21	Annual withdrawals of ground and surface water as a percent of annual renewable quantity of water available from the sources.	●	p 52		6		
EN22	Total recycling and reuse of water.	●	p 40				
EN23	Total amount of land owned, leased, and managed for production activities or extractive use.	●	p 54				
EN24	Amount of impermeable surface as a percentage of land purchased or leased.	●	Not addressed in this report <sup>6, 7</sup>				
EN25	Impacts of activities and operations on protected and sensitive areas.	●	p 44, 54				
EN26	Changes to natural habitats resulting from activities and operations and percentage of habitat protected or restored.	●	p 44, 45, 46, 54				
EN27	Objectives, programs and targets for protecting and restoring native ecosystems and species in degraded areas.	●	p 7, 8, 44, 45, 46		6		
EN28	Number of IUCN Red List species with habitats in areas affected by operations.	●	p 54				
EN29	Business units currently operating or planning operations in or around protected or sensitive areas.	●	p 54				

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6. Environmental Performance Indicators							
EN30	Other relevant indirect greenhouse gas emissions.	●	p 52				
EN31	All production, transport, import, or export of any waste deemed “hazardous” under the terms of the Basel Convention Annex I, II, III, and VIII.	●	p 42				
EN32	Water sources and related ecosystems/habitats significantly affected by discharges of water and runoff.	●	p 40, 54		6		
EN33	Performance of suppliers relative to environmental components of programs and procedures described in response to Governance Structure and Management Systems section (Section 3.16).	●	p 43, 47, 54				
EN34	Significant environmental impacts of transportation used for logistical purposes.	●	p 43				
EN35	Total environmental expenditures by type.	●	p 54		4		
Environmental Performance Indicators - Mining and Metals Supplement							
MM3	The number/percentage of sites identified as requiring biodiversity management plans, and the number/percentage of sites with plans in place. Also include criteria for deciding that a biodiversity management plan is required and the key components of a plan.	●	p 44				
MM4	Percentage of products derived from secondary materials.	●	p 42				
MM5	Describe policies for assessing the eco-efficiency and sustainability attributes of products (e.g., recyclability, material use, energy use and toxicity).	●					
MM6	Describe approach to management of overburden, rock, tailings, and sludges/residues including: ▶ assessment of risks; ▶ structural stability of storage facilities; ▶ metal leaching potential; and ▶ hazardous properties.	●	p 41-42, 47, 51				
7. Social Performance Indicators - Labor Practices and Decent Work							
LA1	Breakdown of workforce.	●	p 2-3, 24, 25, 49-50			1	
LA2	Net employment creation and average turnover.	●	p 3, 49, 50			1,8	
LA3	Unionized employees.	●	p 12, 50	3			3
LA4	Policy and procedures involving information, consultation, and negotiation with employees over changes in the reporting organization's operations (e.g. restructuring).	●	p 27	3		8	3
LA5	Practices on recording and notification of occupational accidents and diseases, and how they relate to the ILO Code of Practice on Recording and Notification of Occupational Accidents and Diseases.	●	p 19-23, 50		5		5
LA6	Description of formal joint health and safety committees comprising management and worker representatives and proportion of workforce covered by any such committees.	●			5	6	5
LA7	Standard injury, lost day, and absentee rates and number of work-related fatalities (including subcontracted workers).	●	p 19-20, 50		5		5
LA8	Description of policies or programmes (for the workplace and beyond) on HIV/AIDS.	●	p 28		5	4,6	5
LA9	Average hours of training per year per employee by category.	●	p 24, 50		5	8	4,5
LA10	Description of equal opportunity policies or programs, as well as monitoring systems to ensure compliance and results of monitoring.	●	p 9, 25-27	6	5	3	2
LA11	Composition of senior management and corporate governance bodies (including the board of directors), including female/male ratio and other indicators of diversity as culturally appropriate.	●	p 25, 49	6	5	3	2
LA12	Employee benefits beyond those legally mandated.	●	p 27, 28			1,4,6	
LA13	Provision for formal worker representation in decision making or management, including corporate governance.	●				8	
LA14	Evidence of substantial compliance with the ILO Guidelines for Occupational Health Management Systems.	●	p 22				
LA15	Description of formal agreements with trade unions or other bona fide employee representatives covering health and safety at work and proportion of the workforce covered by any such agreements.	●	p 12				
LA16	Description of programs to support the continued employability of employees and to manage career endings.	●	p 24-25, 27			8	
LA17	Specific policies and programs for skills management or for lifelong learning.	●	p 24			8	

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GRI Indicator	Indicator Description		1 Location	Corresponding Principles			
				GC <sup>2</sup>	ICMM <sup>3</sup>	MDG <sup>4</sup>	SP <sup>5</sup>
Human Rights							
HR1	Description of policies, guidelines, corporate structure, and procedures to deal with all aspects of human rights relevant to operations, including monitoring mechanisms and results.	●	p 9, 11, 37, WS	1	3		1
HR2	Evidence of consideration of human rights impacts as part of investment and procurement decisions, including selection of suppliers/contractors.	●	p 10-11, 32	1,2		3	1
HR3	Description of policies and procedures to evaluate and address human rights performance within the supply chain and contractors, including monitoring systems and results of monitoring.	●	p 10-11, 32	1,2	3	2	1
HR4	Description of global policy and procedures/programs preventing all forms of discrimination in operations, including monitoring systems and results of monitoring.	●	p 9, 25-26	1,6		3,5	1, 2
HR5	Description of freedom of association policy and extent to which this policy is universally applied independent of local laws, as well as description of procedures/programs to address this issue.	●	p 8, 12	3			3
HR6	Description of policy excluding child labor as defined by the ILO Convention 138 and extent to which this policy is visibly stated and applied, as well as description of procedures/programs to address this issue, including monitoring systems and results of monitoring.	●	p 11	5		2	
HR7	Description of policy to prevent forced and compulsory labor and extent to which this policy is visibly stated and applied as well as description of procedures/programs to address this issue, including monitoring systems and results of monitoring.	●	p 8	4			
HR8	Employee training on policies and practices concerning all aspects of human rights relevant to operations.	●	p 10-11, 30				
HR9	Description of appeal practices, including, but not limited to, human rights issues.	●	p 9, 25-26				
HR10	Description of non-retaliation policy and effective, confidential employee grievance system (including, but not limited to, its impact on human rights).	●	p 9, 25-26				
HR11	Human rights training for security personnel.	●	p 9, 11, 30		3		1
HR12	Description of policies, guidelines, and procedures to address the needs of indigenous people.	●	p 11, 31		3		1
HR13	Description of jointly managed community grievance mechanisms/authority.	●	p 29, 31				
HR14	Share of operating revenues from the area of operations that are redistributed to local communities.	●	p 15, 31, 33, 51		9		
Society							
S01	Description of policies to manage impacts on communities in areas affected by activities, as well as description of procedures/programs to address this issue, including monitoring systems and results of monitoring.	●	p 6, 12-13, 29, 31		3,4	1,2,3, 4,5,6, 7,8	1,7
S02	Description of the policy, procedures/management systems, and compliance mechanisms for organizations and employees addressing bribery and corruption.	●	p 7, 9	10	1,9	8	6
S03	Description of policy, procedures/management systems, and compliance mechanisms for managing political lobbying and contributions.	●	p 10				
S04	Awards received relevant to social, ethical, and environmental performance.	●	p 22-23, 43				
S05	Political donations.	●	p 10, 48			8	
S06	Court decisions regarding cases pertaining to anti-trust and monopoly regulations.	●				8	
S07	Description of policy, procedures/management systems, and compliance mechanisms for preventing anti-competitive behavior.	●	p 9		1		7
Product Responsibility							
PR1	Description of policy for preserving customer health and safety during use of products and services, and extent to which this policy is visibly stated and applied, as well as description of procedures/programs to address this issue, including monitoring systems and results of monitoring.	●	<sup>7</sup>		8	1,4	
PR2	Description of policy, procedures/management systems, and compliance mechanisms related to product information and labeling.	●	<sup>7</sup>				
PR3	Description of policy, procedures/management systems, and compliance.	●	<sup>7</sup>				



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GRI Indicator	Indicator Description	1	Location	Corresponding Principles			
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Product Responsibility							
PR4	Number and type of instances of noncompliance with regulations concerning customer health and safety, including the penalties and fines assessed for these breaches.	●	7				
PR5	Number of complaints upheld by regulatory or similar official bodies to oversee or regulate the health and safety of products and services.	●	7				
PR6	Voluntary code compliance, product labels or awards with respect to social and/or environmental responsibility that the reporter is qualified to use or has received.	●	7				
PR7	Number and type of instances of noncompliance with regulations concerning product information and labeling, including any penalties or fines assessed for these breaches.	●	7				
PR8	Description of policy, procedures/management systems, and compliance mechanisms related to customer satisfaction, including results of surveys measuring customer satisfaction.	●	7				
PR9	Description of policies, procedures/management systems, and compliance mechanisms for adherence to standards and voluntary codes related to advertising.	●	7				
PR10	Number and types of breaches of advertising and marketing regulations.	●	7				
PR11	Number of substantiated complaints regarding breaches of consumer privacy.	●	7				
Social Performance Indicators - Mining and Metals Supplement							
MM7	Describe significant incidents affecting communities during the reporting period, and grievance mechanisms used to resolve the incidents and their outcomes.	●	p 15-16, 17, 18, 35, 36, 45-46				
MM8	Describe programs in which the reporting organization has been involved that addressed artisanal and small-scale mining (ASM) within company areas of operation.	●	p 33				
MM9	Describe resettlement policies and activities.	●	p 15-16, 31, 51		3,9		1,7
MM10	Number or percentage of operations with closure plans, covering social (including labour transition), environmental and economic aspects. Describe company policy, stakeholder engagement processes, frequency of plan review, and amount and type of financial provisions for closure.	●	p 45, 10-K p 85				
MM11	Describe process for identifying local communities' land and customary rights, including those of indigenous peoples, and grievance mechanisms used to resolve any disputes.	●	p 15, 29-30, 10K p 19				
MM12	Describe approach to identifying, preparing for, and responding to emergency situations affecting employees, communities, or the environment. Include a description of the nature of existing skills, teams who respond to emergency situations, training, drills, review processes and community involvement.	●	p 21				
MM13	Number of new cases of occupational disease by type. Describe programs to prevent occupational disease.	●	p 21-22				

## Notes & Abbreviations

<sup>1</sup> As assessed by Newmont Mining Corporation in relation to the amount of information the reader can find in our report.

You will find on our website a GRI content index authorized by our assurance providers that indicates our level of conformance with each indicator.

<sup>2</sup> GRI Indicators that can be used to report on action to support the 10 Global Compact Principles.

<sup>3</sup> GRI Indicators that can be used to report on action to support the ICMM's 10 principles on sustainable development.

<sup>4</sup> GRI Indicators that can be used to report on action to support the Millennium Development Goals.

<sup>5</sup> GRI Indicators that can be used to report on action to support the Sullivan Principles.

<sup>6</sup> Data not currently collected to report this parameter.

<sup>7</sup> Not addressed in this report as not material to Newmont's operations.

More detail on financial data, board structure and Governance can be found in our 2005 10-K Form, our 2005 Annual Report, and on our website.

AR — Annual Report

SR — Site Reports

DT — Data Tables on pages 48 - 55

WS — Website - Newmont.com

10K — Newmont's 2005 Form 10-K



## SCOPE & CRITERIA OF THE ASSURANCE

World Monitors Inc. (WMI) was commissioned by Newmont Mining Corporation to provide an independent assurance of its sustainability report, *Now & Beyond* 2005. This Assurance addresses the quality and content of the reporting in the areas of social and environmental responsibility. It does not address Newmont's performance.

The Assurance was undertaken applying the AA1000 Assurance Standard, an internationally recognized set of principles for sustainability reporting and the underlying processes that support reporting. The Assurance was also carried out with reference to the Global Reporting Initiative (GRI), including the Mining and Metals Sector Supplement, and the ten principles of the International Council on Mining and Metals (ICMM).

The Assurance process was conducted to provide a reasonable assurance of the information in the *Now & Beyond* 2005 report, including verification of selected data contained in the report. The scope of the Assurance does not include verification of financial data.

## METHODOLOGY

WMI staff visited the corporate offices in Denver, Colorado to conduct interviews with senior management, including the Chairman and CEO, Wayne W. Murdy; the SVP of Operations, Thomas Enos; and 17 additional staff members directly responsible for the programs presented in the report. As a condition of WMI's engagement, Newmont agreed to provide access to all information, documents, and personnel requested by the assurers. WMI staff also observed a Five Star Management Systems assessment in Carlin, Nevada.

This year, at Newmont's request, the Assurance process was greatly extended to include visits by WMI staff to three of Newmont's operations -- Minera Yanacocha (Peru), Minahasa Raya (Indonesia), and Ahafo (Ghana), chosen as a result of stakeholders' expressed interest. A total of 44 employees at Newmont operations were interviewed for this report. To deepen the assurance process, WMI interviewed 65 international, national, and local stakeholders and interested parties gathering a wide range of views on Newmont's material issues and performance.

## CONCLUSIONS AND FINDINGS

### *Commentary*

The *Now & Beyond* 2005 report demonstrates Newmont's sincere commitment to communication with its stakeholders, continued progress in its sustainability reporting, and an understanding of the challenges that remain for Newmont to achieve its goals in environmental and social performance. Notable improvement is apparent in the collection and quality of information in the report and in its accessibility since the prior year. Newmont's acknowledgement of its challenges and its opportunities for improvement provide evidence that Newmont is striving for increased transparency.

This year, Newmont's decision to expand this Assurance to provide for extensive stakeholder interviews and visits to operating sites further underscores its dedication to transparency and continuous improvement in the reporting process.

WMI's assurance process has affirmed that Newmont's senior management and staff have increased their commitment to responsible and sustainable business. Furthermore, the policies and management systems that support Newmont's commitment to sustainable business have become increasingly embedded in the company's corporate strategy, day-to-day operations, and decision-making processes.

## *Materiality*

Newmont's *Now & Beyond* 2005 report addresses the material issues related to the company's social and environmental impacts. Discussion in the text and case studies on specific incidents respond to stakeholder interest; for example, Newmont included information on issues at Indonesia, Ghana, and Peru in direct response to stakeholder concerns. The report indicates the sources from which material issues were identified, but selection criteria could be made more explicit such that readers may understand why some issues of concern to them may not have been included in the corporate report.

## *Completeness*

In general, the report includes sufficient information to describe how Newmont is managing its material issues. The case studies presented provide useful insights into how Newmont addresses the many aspects of its sustainability programs. The report also directs readers to materials available publicly on the Internet, including independent reports. As Newmont's systems and processes mature, we encourage the company to provide more results and performance data. Additional information on Newmont's performance, particularly with regard to the challenges that it faces, would be welcomed by many stakeholders.

## *Responsiveness*

Newmont has demonstrated a strong commitment to the principle of responsiveness to stakeholder concerns. Material comments provided by *Now & Beyond* 2004 stakeholder survey have been carefully considered in the preparation of *Now & Beyond* 2005. As well, Newmont gathers feedback throughout the year through regular stakeholder engagement at the corporate and operational levels. Newmont must continue to apply the Five Star management standard on stakeholder engagement to ensure that stakeholder views are consistently taken into account across the company.

It is significant that this year Newmont has provided the names and direct contact details for personnel at the company's headquarters for readers who would like to contact the company directly.

## *Global Reporting Initiative & International Council on Mining & Metals*


Based on our work we believe that Newmont's policies, systems, and activities taken as a whole support management's commitment to the GRI and the ICMM Principles. In addition, we affirm that Newmont has prepared this report "in accordance with" the GRI guidelines. The inclusion of the GRI index in this year's report is a noteworthy addition.

Newmont has incorporated the majority of indicators required by the GRI, and has strengthened its ability to collect and report on them throughout its operations. Some specific GRI indicators -- particularly in the social and human rights areas -- would be further strengthened by a description of how the company's policies are being implemented and how well the company is performing against these indicators. In light of Newmont's articulated commitment to the ICMM, more effort should be made to report on all relevant GRI indicators.

## **WMI ASSURANCE TEAM**

World Monitors Inc. is a consulting firm that is independent from the Newmont Mining Corporation. WMI provides information services and has provided consulting to Newmont. The management and directors of WMI take sole responsibility for the preparation of this statement. WMI's assurance team consisted of R. Scott Greathead, Sirkka Korpela, Kiku Loomis, Jacqueline M. Warren, Juliette Bennett, and Alison Gilles, representing expertise in business processes and legal, social, and environmental issues. For more information on WMI and the competencies of the assurance team, go to [www.worldmonitors.com](http://www.worldmonitors.com).

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**R. SCOTT GREATHEAD**  
CEO, World Monitors Inc.



## REPORT PRINTING

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**NEWMONT MINING CORPORATION**

*Corporate Headquarters*

1700 Lincoln Street  
Denver, Colorado 80203  
United States  
Telephone: 303.863.7414  
Facsimile: 303.837.5637  
[www.newmont.com](http://www.newmont.com)

