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

- **$7.48 billion** in economic contributions were distributed to employees, Governments, suppliers, communities and other stakeholders by the legacy Companies\(^1\).
- **$1.07 billion** in taxes and other payments to Governments\(^1\).
- **79%** of **$4.7 billion** of goods and services purchased by the legacy Companies\(^1\) came from our host countries.
- **95%** of employees from both legacy Companies came from our host countries\(^1\).
- Empowering local communities by introducing **Community Development Committees** to guide community investments from our mines.

\(^1\) In 2018.
The heart of our sustainability strategy is the belief that our success depends on creating long-term value for all our stakeholders. Not just our shareholders, but also our host countries, host communities and workforce. We strive to be a good corporate citizen and a genuine partner for our host communities in locally led economic development. Alongside site-specific community investment programs, we leverage our supply chain and procurement to multiply economic benefits at a local and national level. Our long-term ambition is to help develop diverse and thriving economies that are sustainable beyond the life of a mine.

**FIGURE 5: ECONOMIC VALUE STATEMENT**

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

\(^{1}\) Please note that the basis for preparation and disclosure of this information may differ from methodologies used by Barrick for other purposes, such as our ESTMA report. Some totals may not sum due to rounding.

\(^{2}\) Includes royalties paid to third-parties, political contributions, compensation payments and payments to local communities as part of land use agreements.

Barrick has contributed substantially to infrastructural development in its host countries.
PAYMENTS TO GOVERNMENTS

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

Our approach to tax

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

The following principles underpin our approach to tax:

- **Compliance:** Our tax returns are filed on time in the prescribed form. Where legislation is complex and unclear, or the application of judgement is required, we seek advice from internal, external and/or industry experts, or work with appropriately qualified tax professionals to form our filing position.

- **Audits:** We conduct transparent tax audits. When possible, meetings are conducted with the tax auditors prior to the formal commencement of an audit to effectively plan the audit process and to present key positions taken. We aim to be as current as possible with regards to tax audits, subject to the resource constraints and other limitations of local tax authorities. When disputes arise, we seek to work collaboratively with authorities to reach common ground. We aim to behave in a way expected of a partner.

- **Risk management and mitigation:** Tax risks are identified, evaluated and monitored with the aim of mitigating such risks within acceptable tolerance levels. Our tax planning is based on reasonable interpretations of the law. We seek to secure available tax concessions so as not to be competitively disadvantaged. Related party transactions are treated similarly to third-party transactions and are structured consistent with functions performed, risks assumed and assets utilized. Barrick is actively working to simplify its corporate structure where it makes sense to do so.

- **Relationships with authorities:** We seek to build and sustain healthy relationships with Governments and tax authorities in an honest, respectful, and constructive way. In situations where tax legislation has adverse effects on our business activity, or if there is proposed reform or opportunities for improvements, then the Company will engage directly with Governments or via industry groups. This may be to set out our concerns or to offer proposals that enable us to protect our investments while not undermining Governments’ ability to implement appropriate fiscal and other policies.

- **Tax transparency and reporting:** We believe transparency is a powerful tool that helps stakeholders, including Governments and tax authorities, to understand the nature and extent of tax contributions in the context of the risk taking and capital-intensive nature of the mining industry. Barrick was the first Canadian mining company to be a signatory to the Extractive Industries Transparency Initiative and continues to be a supporting member through our membership in the ICMM. We report detailed country-by-country tax and royalty payments in line with the requirements of Canada’s Extractive Sector Transparency Measures Act (ESTMA) online and in this Sustainability Report. In addition, prior to the merger with Barrick, Randgold reported on payments to Governments in accordance with United Kingdom’s Reports on Payments to Governments Regulations 2014.
PRIORITIZING LOCAL HIRING

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

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

Management approach

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

Accountability for the implementation of our ‘local-first’ recruitment sits at the individual mine site. Each mine sets its own definition of ‘local’ in consultation with surrounding communities. In general, local includes those communities directly impacted by our mining activities or by our ancillary properties (such as power lines). Throughout a mine’s life cycle, site community relations and human resources teams work together to develop local employment plans, which identify and create opportunities for local people to work in our mines.

Elements of local employment plans include:

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

We track performance for local employment against key metrics on a monthly basis both at site and Group level to identify opportunities for improvement.
We want to ensure that people from local and host country backgrounds also receive the training they need to progress into senior management and have set a corporate target for 80% of senior site management to be host country nationals by the end of 2019. The training provided to achieve this varies from mine by mine according to existing local capacity and the operational needs.

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

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

**Figure 7: Employee Breakdown**

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

**Figure 8: Senior Site Leader Breakdown**

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

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

2. Not all Barrick sites, and none of the former Randgold sites, used a ‘regional’ geographic distinction among employees.
PRIORITIZING LOCAL BUYING

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

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

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

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

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

2018 Performance

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

FIGURE 10: PURCHASES FROM LOCAL, REGIONAL, NATIONAL AND INTERNATIONAL SUPPLIERS

<table>
<thead>
<tr>
<th></th>
<th>Legacy Barrick</th>
<th>Former Randgold</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>From local suppliers</td>
<td>11% (No data available)</td>
<td>10% (No data available)</td>
<td>9% (No data available)</td>
</tr>
<tr>
<td>From regional suppliers</td>
<td>62%</td>
<td>68%</td>
<td>63%</td>
</tr>
<tr>
<td>From host country suppliers</td>
<td>62%</td>
<td>68%</td>
<td>63%</td>
</tr>
<tr>
<td>International purchases</td>
<td>18%</td>
<td>32%</td>
<td>21%</td>
</tr>
</tbody>
</table>

1 Totals may not sum to 100% due to rounding.
2 Excluding local purchases.
3 Excluding regional and local purchases.
HELPING BENEFITS FLOW TO LOCAL SUPPLIERS LIKE ESMIMSA AND IOB

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

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

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

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

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

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

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

IOB is now a thriving business with many other customers across the region and with several contracts nationally and internationally, including Canadian gold mining firm Banro Corporation.
We have a good relationship with Loulo. They always make sure we know what is happening at the mine, and talk to us about what they are planning. They spend time listening to and trying to understand any concerns we have. Sometimes we disagree but we know we can always talk to the management and to Mark about our issues and they will work with us to find solutions and agreement.

Fatamba Sissoko,
Mayor of Sitakilly Commune, Mali

COMMUNITY ENGAGEMENT

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

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

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

- **Annual risk, impact, and opportunity assessments** so that site management has adequate information to design and implement strategic actions that contribute to a stable operating environment. This enables planned, proactive and cost-effective mitigation of site impacts and risks, while also identifying opportunities with host communities to realize mutual benefit. These assessments are complemented by environmental and social impact assessments conducted on any relevant mine project (as informed by the IFC Performance Standards) and by ongoing environmental monitoring of all our sites.

- **Dedicated resources** for day-to-day implementation of community engagement. These resources range from a single officer at some smaller sites to the 140 person community team required to manage the challenging and extremely diverse communities at Porgera in Papua New Guinea.

- **Annual stakeholder engagement plans** which map local stakeholders, including vulnerable groups. Our sites aim to consult and inform local stakeholders in a timely manner about activities and operational matters that impact them. Engagement takes place via formal mechanisms (such as dialogue tables) and informally (such as ad hoc meetings at community events).

- **Local community development programs** driven by site Community Development Committees (CDCs) and active community involvement where communities are empowered to lead development. We have committed to establish CDC forums, which enable elected local representatives to be responsible for Barrick’s development budget allocations, at sites where equivalent forums do not already exist by 2020.

- **Grievance mechanisms** to enable communities to formally lodge grievances should they feel they have been treated in an unfair manner or if they have been negatively impacted by the mine’s activities. Having an effective grievance mechanism is also a requirement of the IFC Performance Standards and part of our commitment to respect human rights under the UN Guiding Principles on Business and Human Rights. Our grievance mechanism is approved by the mine’s General Manager and we aim to widely publicize it. For example, we may use local radio stations, posters, social media or notice boards to explain how to register a grievance.

- **Monitoring and reporting** of performance to internal and external stakeholders. Internal communication channels in which community engagement is regularly discussed include daily briefings on site with department heads, weekly calls with regional leads and the Group Sustainability Executive, weekly ExCo meetings and quarterly E&S Oversight Committee meetings. We report back to external stakeholders in channels ranging from informal meetings to this annual Sustainability Report. At the Group level, we monitor and analyze grievances, and our responses, for recurring themes or issues. Grievances are reported as a standing agenda item at the quarterly E&S Oversight Committee.
ENGGAGEMENT TO
DRIVE DEVELOPMENT

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

2018 Performance

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

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

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

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

FIGURE 11: NUMBER OF GRIEVANCES RECEIVED

<table>
<thead>
<tr>
<th></th>
<th>Legacy Barrick</th>
<th>Former Randgold</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grievances carried over into the year</td>
<td>89</td>
<td>0</td>
<td>89</td>
</tr>
<tr>
<td>New grievances received in the year</td>
<td>1,033</td>
<td>110</td>
<td>1,143</td>
</tr>
<tr>
<td>Grievances closed in the year</td>
<td>744</td>
<td>110</td>
<td>854</td>
</tr>
<tr>
<td>Outstanding grievances at the end of the year</td>
<td>378</td>
<td>0</td>
<td>378</td>
</tr>
</tbody>
</table>
FIGURE 12: NUMBER OF GRIEVANCES RECEIVED

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

“Thorough community engagement is key to Barrick’s social license.”

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

_Nevada Indian Commission Executive Director, Sherry Rupert_
OUR ONGOING PARTNERSHIP WITH THE WESTERN SHOSHONE COMMUNITY

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

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

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

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

Some of the achievements of our partnerships include:

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

One highlight of 2018 for our Company was receiving the ‘Best partner company of the year’ award by the Nevada Indian Commission.
Our investments in community development are helping towns like Kounda and Mahinamine to flourish. The community takes a lead in defining the support they most require and it is a real partnership effort to deliver the plan. We are seeing and feeling the impact in areas such as educational standards, access to finance and agricultural growth.

Dominique Diarra, Community Development Superintendent, Loulo-Gounkoto

COMMUNITY DEVELOPMENT

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

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

Community gardens at Porgera in Papua New Guinea.
While locally directed, the CDC model is underpinned by several core principles that apply across the group:

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

In 2019, we will be establishing CDCs at all legacy Barrick sites. At present CDCs are established at four of our 16 operational sites (the former Randgold sites of Kibali, Loulo-Gounkoto, Tongon and Morila).
With more than 20 years of operations in emerging Africa, former Randgold demonstrated excellence in all aspects of its business, including community development. Former Randgold pioneered an innovative model to drive sustainable development outcomes through rigorous engagement and community input to harness the transformative economic opportunities that came with hosting Randgold mines through CDCs.

**How does it work?**

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

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

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

**CDCs in action**

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

Perhaps most notably, it is working in partnership with other agencies to invest in a cutting edge agri-college with incubator farms to lay the foundation for a thriving post-mine economy.
Pueblo Viejo gives you access to resources so that communities can reach development on their own. They have technicians that do surveys, we speak to them and gain valuable knowledge in agriculture.

Pedro Ferreira, Farmers Association of Zambrana–Chacuey, near Pueblo Viejo

2018 Performance

FIGURE 13: BREAKDOWN OF COMMUNITY DEVELOPMENT INVESTMENT SPEND

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

Some totals may not sum due to rounding.
COMMUNITY WATER MANAGEMENT ACROSS OUR GLOBAL REGIONS

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

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

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

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

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

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

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

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

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

The project was a partnership between Barrick, the families in Las Achiras sector of the Chuyugual Community and their authorities.
North America: Restoring Willow Creek, USA

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

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

The public have now been given access to the reservoir and Barrick and the Nevada Department of Wildlife have formed a partnership to manage the maintenance of the reservoir and the restoration of fish stocks and habitats.
### FIGURE 14: SNAPSHOT OF COMMUNITY INVESTMENTS

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

The ‘One Laptop One Child’ campaign is an initiative by Pueblo Viejo to enhance education in the area.
ARTISANAL AND SMALL-SCALE MINING

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

Management approach

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

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

2018 Performance

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

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

RESETTLEMENT

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

Management approach

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

Any resettlement undertaken requires a detailed Resettlement Action Plan (RAP). RAPs are developed with input from the affected communities and local authorities who are encouraged to express their opinions and any grievances at an early stage in the process to ensure they are fed into the RAP and its compensation process. RAPs include comprehensive compensation standards, livelihood development programs and ongoing monitoring and evaluation.
Deciding to move our home was not easy. But from the beginning the Kibali team spent time explaining the resettlement process to us, and making sure we knew all the options and how to raise any concerns or issues. Being able to choose to receive compensation was good, as it meant we could plan our house to be exactly what we wanted.

Marie Zamba Kamesa, a resettled person at Gorumbwa, DRC

When resettlement takes place, we commit to improve or, at least, restore the livelihoods and living standards of the affected households and communities. As part of the RAP we also aim to maintain any community structures wherever possible, respect sites of cultural and religious significance and have independent third parties monitor its implementation.
2018 Performance

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

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

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

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

Fatima Amaya,
Talent Management Business Partner, Nevada

TRAINING OUR TALENT

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

Management approach

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

- **A country-based approach to training, compensation and benefits and employee relations.** This allows us to address the unique labor markets and social conditions in the various countries where we operate.

- **Providing training in both technical and behavioral needs.** Technical training enables proficiency in the equipment and disciplines that must be mastered across our global portfolio of mines. Behavioral training provides leadership and management skills at all levels. Part of our behavioral training provision includes scholarships to universities such as Harvard and the University of Cape Town for management and leadership development courses.

- **Merging together the best expertise from both legacy Companies.** For example, our CFO Development Program has been expanded to now offer former Randgold’s ‘Finance for Non-Financial Managers’ course and ‘Finance for Business Leaders’. This is creating a homogenized and best-in-class approach to help our people integrate financial and business needs into their everyday thinking.

- **Using informal training** such as shadowing and mentorship, as an integral part of the learning culture.

**2018 Performance**

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

This total does not include the number of informal training hours, such as on the job mentoring and skills shadowing that each employee receives every year and which are often a key part of skills development.
COMPASS: PROVIDING DIRECTION AND DEVELOPMENT FOR NEW TALENT

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

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

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

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

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

Dan Hain,
Talent Management Manager for Barrick Nevada
CLOSURE

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

Management approach

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

Key elements of our closure approach include:

- **We establish a closure plan before construction of a mine even begins.** This is regularly updated and ensures enough financial resources are available to meet closure obligations.

- **We invest in non-mining related economic activity and training** to support alternative livelihoods throughout the life of a mine. This includes support for local companies through ‘local first’ procurement, investment in long-term economic development projects through our community development work and, where appropriate, working with regional and Government economic development committees to help suppliers diversify.

- **We provide our people with assistance during closure** to identify new potential career opportunities. Where possible, our goal is to offer continuing employment opportunities at other Barrick operations. We also offer out-placement services for people who are unable to relocate.

- **We restore biodiversity and healthy ecosystems** at the earliest stage possible and aim to keep our overall mine footprint to a minimum. This is done through ongoing concurrent rehabilitation and the treatment of all disturbed lands at closure. Comprehensive environment-related actions at closure include checking the stability of all land, the re-vegetation of waste rock, heap leach and tailings facilities and monitoring or restoring the health of soils and natural capital.

- **We protect water resources at closure**, including treating any mine-impacted waters as appropriate and creating ongoing monitoring programs to test water quality and hydrology post-closure. This is undertaken in close consultation with regulators and stakeholders.
Honey production is one of several projects growing at our Pueblo Viejo site for when the mine eventually closes.
Care and maintenance of closed sites

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

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

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

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

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

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

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

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

M Soumeilou Boubeye Maiga, Former Prime Minister of Mali on the closure of our Morila mine
FIGURE 15: MORILA’S AGRIBUSINESS PLAN POST CLOSURE

TARGETS FOR 2019 AND BEYOND

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

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

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

Establish Community Development Committees at those sites that do not have formal forums for community development by end 2020
## INTEGRATING THE SUSTAINABLE DEVELOPMENT GOALS

### SUSTAINABLE DEVELOPMENT GOALS

<table>
<thead>
<tr>
<th>SDG 2: Zero hunger</th>
<th>SDG 4: Quality Education</th>
<th>SDG 8: Decent work and Economic growth</th>
<th>SDG 9: Industry, Innovation and Infrastructure</th>
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<td><img src="image" alt="Soup" /></td>
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<td><img src="image" alt="Cube" /></td>
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### Overview contributions

- **More than $950,000** in community agriculture projects spent by former Randgold alone.
- **Over $8.8 million** of combined investment in education-related community investments.
- **Average provision of 40 hours of training** per full time employee.
- **Over $7.48 billion** of economic contributions to host economies. With 79% of goods and services bought from host country suppliers.
- **Infrastructure investments** including upgrading and maintaining roads, installing hydropower plants and building community water systems.

### Snapshot examples

- **Support for commercially viable agribusiness, incubation farms and an agri-college** in Mali. Launch of *Project Sierra Productiva* to develop three agricultural projects and benefit 75 local families at Lagunas Norte.
- **Support for community literacy programs and vocational training** in Peru and the Dominican Republic. We built classrooms for schools near our operations in Mali, Zambia, and community libraries in the DRC.
- **Investments in fish farms, mango plantations and other agribusiness at Morita in Mali,** to help a post-mine economy thrive. Around our Kibali mine we have built three hydropower stations that already contribute power to the area and will be integrated into regional and national grid when the mine closes.
- **In Nevada** we helped build a consortium of seven companies to fund a three-year program to build STEM (science, technology, engineering and maths) infrastructure for the Elko County School District. We facilitate access to microfinance for local companies and contractors in many of the remote areas we operate.