

## Appendix 3 – Ruffer Update on Newmont Engagement

### Engagement Reported to September Committee

**Asset Manager:** Ruffer

**Holding:** Newmont Corporation

#### Background and objective

Newmont Corporation is a prominent global mining company which has been widely recognised as the world's leading producer of gold, as well as engaging in the exploration of other metals. Ruffer initially carried out engagement with Newmont in relation to its Annual General Meeting due to concerns over high executive compensation and to address concerns about their health and safety practices following recent incidents of fatalities at a number of mining sites.

#### Engagement outcomes and further action

##### *1. Understanding Newmont's stance on executive pay.*

Newmont provided assurances that it conducted thorough analyses of executive pay, including the benchmarking against relevant domestic and international peers. While Ruffer's voting research provider suggested that the Chair's pay exceeded the proxy peer group median, Newmont highlighted the lack of negative shareholder feedback on remuneration in previous AGMs as evidence of shareholder support.

Ruffer emphasised the importance of additional disclosure to alleviate any concerns and will continue to monitor Newmont's future disclosures alongside any shareholder feedback.

##### *2. How are Newmont addressing concerns regarding health and safety practices following reported fatalities?*

On the issue of health and safety, Newmont acknowledged the tragic incidents at several of its mine sites, including Cerro Negro in Argentina, and detailed its efforts to investigate these events. Newmont stated they are working with third-party specialists to carry out investigations and to suggest any consequent changes to its safety processes and has also implemented a fatality risk management system.

Newmont also stated that they have reinvigorated management focus on the topic of health and safety, which has a significant role given the company's focus. Ruffer will continue to monitor Newmont's health and safety practices and ensure that the improvements are realised.

##### *3. Clarity on how Newmont plan to integrate the assets and sustainability practices of Newcrest, given their recent acquisition.*

For context, Newmont completed its acquisition of Newcrest – an Australia-based gold and copper mining company – back in late 2023 and was described as the largest merger in gold mining history.

Ruffer typically consider Newmont as a good performer on sustainability in terms of the quality of its reporting and consideration of ESG factors in its business strategy but requested clarity on when Newcrest's assets would be integrated into Newmont's sustainability reporting, especially given differences in their emissions reduction targets and Net Zero ambitions.

### **Update Provided by Ruffer**

“Our recent engagements with Newmont have had several key objectives but primarily focused on gathering information related to the recent fatalities and understanding its approach to the transition to Net Zero.

During our discussions with the company, Newmont provided a thorough explanation of its reflections and learnings from the fatalities at its mines. Newmont said the incidents have unrelated causes, and external investigations are ongoing (the Cerro Negro mine investigation has been concluded). The fatalities are likely to impact executive pay, and Newmont assured us that employee health and safety – and particularly avoiding fatalities – remains a top priority for the company. The incidents have also catalysed discussions on the quality measures used to assess Newmont's performance on safety. The company wants to increase employee understanding of and accountability for safety measures across the business and has set a deadline to develop a plan addressing this. We are satisfied with the initial discussions around this topic, and we expect to see details regarding pay implications and updated safety procedures in Newmont's 2024 remuneration report and its sustainability report (to be published in 2025).

Regarding questions about the transition to Net Zero, we plan to monitor progress on integrating Newcrest assets into Newmont's management systems and advocate for updated reporting on metrics and targets. Following Newmont's acquisition of Newcrest and related concerns about applying high standards to emission data collection, we are satisfied with Newmont's commitments at this stage. The company is revising its targets and intends to incorporate Newcrest's assets into its baseline reporting framework by 2025, with the updated data to be published in 2026.

In summary, we are satisfied with our recent engagements with Newmont. We will continue to engage with the company to monitor its progress towards these reports and the implementation of new safety processes into 2025 and will strive to continue to build a productive relationship with the company.”