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	<b>Global Standard and Procedures for Extractive Sector Transparency Measures Act (ESTMA) Reporting</b>
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DOCUMENT REFERENCE	REVISION NUMBER	TOTAL PAGES	ORIGINAL ISSUE DATE	EFFECTIVE DATE
	1.0	10	January 1, 2017	February 22, 2017

**SCOPE:** This Global Standard and Procedures applies to all relevant Company personnel, where Company refers to Barrick Gold Corporation (Barrick) and all related affiliate companies, including joint ventures that Barrick controls for the purposes of ESTMA.

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CONTRIBUTORS	NAME	TITLE	CONTACT DETAILS
Approved By:	Julie Robertson	Vice President & Controller	j.robertson@barrick.com
Issued By:	Eban Bari	Senior Director, Financial Reporting	ebari@barrick.com
Administered By:	Diana Chan	Senior Manager, Treasury Reporting	dchan@barrick.com

RELATED DOCUMENTS	
BGC-BE-00-02	Global Standard and Procedures for Data, Information and Records Back-up and Retention

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## 1. PURPOSE

The Extractive Sector Transparency Measures Act (ESTMA) requires companies that are engaged in the commercial development of oil, gas, or minerals to publicly disclose specific payments made to all governments in Canada and abroad. This includes in-kind payments and attribution payments.

This document defines the requirements to help ensure that the report for ESTMA are properly prepared, supported by adequate documentation, reviewed and approved to allow for accurate reporting of payments.

## 2. APPLICATION

This procedure defines requirements regarding scoping, preparation, review and approval of ESTMA filings for all relevant Barrick employees and contractors.

## 3. ADMINISTRATION AND INTERPRETATION

All questions, comments and suggestions related to this Global Standard must be communicated to the Document Administrator. Responsibility for interpretation of this document rests with the Document Approver.

This Global Standard may be supplemented by localized procedures at either the operating unit, country or site level. Procedures implemented at the operating unit or site level may include requirements which are more detailed or rigorous than those presented in this document.


Definitions applicable to the understanding and application of the requirements contained within this Standard are located in Appendix A.

## 4. PRINCIPLES

### 4.1. *Preparation of Reporting Unit ESTMA Report*

ESTMA requires companies to report payments to governments on a “project” basis. For the purposes of implementing this requirement, Barrick has defined a Reporting Unit Structure. Each Reporting Unit may contain more than one legal entity. The Reporting Unit Structure for many of our reporting units can be found in Appendix B. Reportable payments will be disaggregated in the ESTMA report by operating mine site, exploration and development projects.

ESTMA requires reporting of reportable government payments on an annual basis. However, in order to ensure a safe reporting and consolidation process, Barrick requires Reporting Units to report payments to governments reportable under ESTMA on a **quarterly basis**, at the end of each calendar quarter.

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#### **4.2. *Review of Reporting Unit ESTMA Report***

The Site CFO/Finance Director must consider all required mechanisms to ensure all payments reportable under ESTMA made by the Reporting Unit are captured and reported to Corporate for consolidation on a quarterly basis. Corporate provides the Reporting Units with tools and guidelines to facilitate compliance, but it is the Reporting Unit's responsibility to ensure its processes and procedures are implemented effectively. The Site CFO/Finance Director, Executive Director and General Manager must certify on an annual basis.

#### **4.3. *Consolidation of ESTMA Report***

Reporting Unit ESTMA reports are consolidated by Corporate on a quarterly basis for the annual corporate report. The report must be published on Barrick's website. Further, a link to the report must be provided to NRCAN within 150 days following the end of our financial year (around the end of May of the following year).

#### **4.4. *Document Retention***


ESTMA requires that the annual corporate reports must be available on Barrick's website for at least five years from the date the reports were initially published. ESTMA also requires that Barrick keeps a record of their payments made to governments for at least seven years from the date the payment was published in a report.

### **5. PROCEDURES**

#### **5.1. *Preparation of Reporting Unit ESTMA Reporting***

ESTMA requires reporting of payments of at least CAD \$100,000 in a single or series of payments made to the same "payee" (i.e. same level of government) related to the commercial development of minerals that fall into the following payment categories:

- Taxes (other than consumption taxes [such as value-added taxes] and personal income taxes)
- Royalties
- Fees (including rental fees, entry fees, and regulatory chargers, as well as fees or other consideration for licenses, permits or concessions)
- Production entitlements
- Bonuses (including signature, discovery and production bonuses)
- Dividends (other than dividends paid to payees as ordinary shareholders)
- Infrastructure improvement payments

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Further guidance on reportable government payees and payments under ESTMA can be found in the ESTMA Payee and Payments Interpretations Memo<sup>i</sup>.


On a quarterly basis the Reporting Unit Preparers must:

- a. Ensure that all government payees or payees that relate to governments are properly tagged as government vendors in the system.
- b. Extract all payments made to government payees within the quarter, including in-kind payments, manual payments, and wires.
- c. Review and check that all in-scope entities for the Reporting Unit have been included (See Appendix B for in-scope entities by Reporting Unit).
- d. Filter the list to identify only those payments required for disclosure under ESTMA. Guidance on reportable government payees and payments under ESTMA can be found in the ESTMA Payee and Payments Interpretations Memo<sup>i</sup>.
- e. Aggregate payments by payment category and payee, and disaggregated by country, payee and site. Please refer to Appendix C for ESTMA report template to be completed. Please note the following:
  - i. All reportable payments need to be reported on the ESTMA report template in USD. The CAD \$100,000 threshold will be applied at the consolidated level.
  - ii. Payments made in a currency other than USD must be translated using the exchange rate existing at the time the payment is made.
- f. Perform reconciliations as required (i.e. reconcile payments reported to payments listing, corporate social responsibility (CSR) payments reported to social obligations register, taxes paid to cash taxes paid schedule, etc.).
- g. Ensure that the report has been reviewed by CSR, tax, legal, and others as required to ensure completeness and accuracy of the report.
- h. Document rationale for payments made to government payees not deemed to be reportable under ESTMA.

## **5.2. Review of Reporting Unit ESTMA Report**

On a quarterly basis, the Site CFO/Finance Director must ensure the Reporting Unit ESTMA report is complete and accurate by reviewing that the payments made during the quarter are properly included or excluded in the report in accordance to the requirements set out in the ESTMA Payee and Payments Interpretations Memo<sup>i</sup>, and completed on a timely basis.

On an annual basis, the Site CFO/Finance Director, Executive Director and General Manager must certify that the filings are correct, complete and appropriate in accordance

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to the requirements set out in the ESTMA Payee and Payments Interpretations Memo<sup>1</sup>. Please refer to Appendix D for a sample certification.

### **5.3. Consolidation of ESTMA Report**

On a quarterly basis, the Preparer of the consolidated ESTMA Report must:

- a. Obtain the ESTMA reports prepared by each Reporting Unit Preparer
- b. Consolidate the data into a consolidated ESTMA report
- c. Perform reconciliations as required (reconcile CSR payments to social obligations register, taxes paid to cash taxes paid schedule, etc.).
- d. Develop an expectation and compare to results obtained (based on prior year, issue logs, site management reports (SMRs), etc.)
- e. Ensure that the report has been reviewed by CSR, tax, legal, and others as required to ensure completeness and accuracy of the report.
- f. Apply the CAD \$100,000 threshold using the average exchange rate during the year and the \$10,000 rounding threshold.

### **5.4. Review of Consolidated Report and Certification**

On a quarterly basis, the Reviewer of the consolidated ESTMA Report must:


- a. Develop an expectation of the results and compare to results obtained (based on prior years, issue logs, SMRs, etc.)
- b. Review that the payments reported are reportable under ESTMA in accordance to the requirements set out in the ESTMA Payee and Payments Interpretations Memo<sup>1</sup>.
- c. Ensure that certifications have been received by the Site CFOs/Finance Directors, Executive Directors and General Managers on an annual basis.
- d. Obtain attestation from CFO and Deputy General Counsel

### **5.5. Document Retention**

All records and documentation must be updated and maintained in accordance with Barrick documentation and retention requirements outlined in the Global Standard and Procedures for Data, Information and Records Back-up and Retention.

## **6. COMPLIANCE**

All Barrick employees subject to this Global Standard are responsible for compliance with this Global Standard and for reporting non-compliance to their supervisor or, where non-compliance violates Barrick's Code of Business Conduct and Ethics, reporting such

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non-compliance in accordance with the procedures set out in the Code of Business Conduct and Ethics. Compliance with this Global Standard will be monitored. Non-compliance with the Global Standard may result in disciplinary action against the employee.


It is the responsibility of each Site CFO/Finance Director to ensure implementation of and compliance with this Standard, and to deal with any exceptions in accordance with this Global Standard.

Requests for exceptions to the Standards contained in this document must be made in writing to the Document Administrator. All exceptions must be approved prior to execution.

## **7. EFFECTIVE DATE AND IMPLEMENTATION**

This Global Standard and Procedures is effective January 1, 2017.

At a minimum, this Global Standard and Procedures will be reviewed every three (3) years.

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## Appendix A: Definitions

**General Ledger (GL):** The ledger that contains all of the financial accounts of a business; contains offsetting debits and credit accounts, including control accounts.

**Government:** Consist of any of the following:

- Any government in any jurisdiction
- A body that is established by two or more governments
- Any trust, board, commission, corporation or body or other authority, including Aboriginal and Indigenous governments, that is established to exercise or perform, or that exercises or performs, a power, duty or function of a government for a government

**Preparer:** The individual responsible for the preparation of a working paper and any other documentation.

**Reviewer:** The authorized individual who performs the review and authorizes the working papers or other documentation under review. This individual must have technical skill and experience to effectively execute the detailed review. This person is also responsible for determining whether additional or specialist/technical review is required.



## Appendix B: Reporting Unit Structure



Appendix B - Barrick  
Entities.docx



Appendix B - Cerro  
Casale Entities.docx



Appendix B - Closure  
Sites Entities.docx



Appendix B - Cortez  
Entities.docx



Appendix B - Golden  
Sunlight Entities.docx



Appendix B -  
Goldstrike Entities.doc



Appendix B - Hemlo  
Entities.docx



Appendix B -  
Lagunas Norte Entitie



Appendix B -  
Lumwana Entities.doc



Appendix B - NA  
Portfolio Entities.docx



Appendix B - Pascua  
Lama Entities.docx



Appendix B - Pierina  
Entities.docx



Appendix B - Pueblo  
Viejo Entities.docx




Appendix B -  
Turquoise Ridge Entit



Appendix B -  
Veladero Entities.doc:




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### Appendix C: ESTMA Report Template



ESTMA Report  
Template.xlsx

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## Appendix D: Certification



ESTMA

Sub-Certification - FII

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<sup>i</sup> ESTMA Payee and Payments Interpretations Memo can be found on the Intranet under Policies & Standards: <http://thecore.barrick.com/en-us/policies/Pages/default.aspx>