



**BARRICK**

**BARRICK GOLD CORPORATION**

2017 Annual Report to  
The Voluntary Principles on Security and Human Rights

## Executive Summary<sup>1</sup>

Barrick Gold (hereinafter referred to as “Barrick” or “the Company”) began to implement the Voluntary Principles on Security and Human Rights (hereinafter referred to as the “Voluntary Principles” or the “VPSHR”) in 2007 by carrying out an independent, external risk assessment at a number of its sites. Through an iterative process over the intervening years, Barrick has gradually developed a system that identifies the security and human rights risks that the Voluntary Principles were set up to identify and address, and developed policies and procedures for ensuring compliance with them.

The commitment of the Company to the VPSHR was formalized in 2009 by Executive Management and Board of Director approval of a corporate-wide *Security Policy* that explicitly commits the company to be guided in its actions by the VPSHR. Additional policies, standards and procedures have been developed to implement specific elements of the Voluntary Principles into all of the Company’s internal security practices. Barrick formally applied and was accepted to join in 2010. This is the Company’s seventh report to the Voluntary Principles Initiative (VPI) Plenary.

The company has developed a risk matrix to determine the security risk of a site or country. This ranking matrix is informed by a range of internal and external assessments and indicators, such as the Transparency International Corruption Index, the OECD country assessments and others. A Level 3 site has the highest level of challenges and a Level 1 site tends to be in countries such as the United States, Australia or Canada.

All of the Company’s Level 2 and 3 operations are assessed every two or three years by independent external specialists in the VPSHR for both risk profile and compliance with the VPSHR. Corporate security conducts regular internal monitoring of compliance and carries out audits on a rotational basis of all Level 2 and 3 sites.

### **Some highlights from 2017 include:**

- Co-led the working group on the development of UNICEF Canada’s Child Rights and Security Checklist;
- Leading the VPI Training Project Working Group to develop a model security and human rights training package that will be available to all VPI members.
- Published a standalone Human Rights Report in 2017 talking about the VPs extensively, including content addressing security and human rights as a salient risk.

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<sup>1</sup> This report applies to sites that Barrick operates. Sites in which Barrick owns an interest, but does not operate, have their own policies, procedures, and approach to VPs implementation. The report also is informational in nature, and should not be construed or relied upon as assurance that the VPs are being implemented or followed in their entirety at any given location.

- Revision of Barrick Corporate’s VPSHR Standard to align with international best practice guidelines and the UNICEF Canada’s Child Rights and Security Checklist.
- Improved engagement between security personnel and the community at Pueblo Viejo.
- Increased conformance with the Voluntary Principles at Pueblo Viejo and Jabal Sayid.

## **A. Commitment to the Voluntary Principles**

### *1. Statement of commitment or endorsement of the Voluntary Principles.*

Barrick Gold is strongly committed to implementing the Voluntary Principles across all of the higher risk sites that it operates. Barrick’s formal commitment to the Voluntary Principles can be found in its *Security Policy* at <http://www.barrick.com/files/security/Barrick-Security-Policy.pdf>

Barrick has adopted and implemented the World Gold Council’s Conflict Free Gold Standard to provide confidence that gold and gold-bearing materials are produced by Barrick in a manner that does not cause, support or benefit unlawful armed conflict, or contribute to serious human rights abuses or breaches of international humanitarian law.

Barrick reports on its VPSHR related initiatives and ongoing assessments in its annual Responsibility Report and its Human Rights Report and makes public its Annual Report to the Voluntary Principles Plenary. The “Transparency Hub” on the company website provides current and historic Responsibility Reports, the Conflict Free Gold Report and assurance statements, including Bureau Veritas’ reasonable assurance letter on Barrick’s implementation of the Voluntary Principles. The Company is a member of the ICMM and its public reporting is aligned to the requirements of the Global Reporting Initiative (GRI).

In line with Barrick’s commitment to respecting human rights, the company supports the Government of Canada’s announcement of an additional accountability mechanism for Canadian businesses operating overseas. This includes the creation of an independent Canadian Ombudsperson for Responsible Enterprise (CORE) who will be mandated to investigate allegations of human rights abuses linked to Canadian corporate activity abroad. Additionally, it involves the creation of a multi-stakeholder Advisory Body to advise the Government and the CORE on responsible business conduct abroad. For more information: <http://www.barrick.com/investors/news/news-details/2018/Barrick-Comments-on-Creation-of-Canadian-Ombudsperson-for-Responsible-Enterprise/default.aspx>

### *Engagement in the VPI*

Barrick participated in the 2017 Voluntary Principles Plenary meeting, as well as the Security meeting. Barrick also continued to be a member of the VPI Steering Committee (tenure March 2016-March 2018). Over the past few years Barrick has participated in a number of

VPI working groups, including the Verification Working Group, the Governance Review Working Group, the Outreach and Implementation Working Group, and the Training Project Working Group. As a member of the Training Project Working Group, Barrick collaborated with other VPI members to develop a model security and human rights training package that will be available to all VPI members in 2018.

In 2017 Barrick, along with UNICEF Canada and the government of Canada, co-led the Child Rights and Security Working Group established to focus on security related impacts on children in the extractive sector. The Working Group published the Child Rights and Security Checklist designed to assist governments and companies assess the degree to which their security frameworks respect children's rights. Going forward, the Working Group plans on developing complimentary guidance and training materials to help public and private security providers implement all items on the Checklist.

2. *Promoting awareness of the Voluntary Principles throughout the organization or government, including within the value chain.*

The Voluntary Principles are integrated into Barrick corporate systems and there is continuous reinforcement of the VPSHR at a site level through the training of security personnel and ongoing security and human rights assessments. Security and human rights elements are also incorporated into the Company's human rights compliance program. As part of that program, Barrick's overall compensation score card include receipt of Bureau Veritas' reasonable assurance letter.

In 2017, a new team of Security personnel was established in Peru. The Director of Global Security delivered a week-long induction training to the new managers and Security leads to ensure they were familiar with Barrick's security management system and related policies and procedures. Additional training was provided by an external security consultant on the Voluntary Principles, and related elements such as the use of force, risk assessment methodology, and pre-employment screening. The same training will be carried out with the new security team at Lagunas Norte in Q1 2018.

For more information on how Barrick promotes the Voluntary Principles at a site level with joint-venture partners, contractors, subcontractors and host governments, see section C.

3. *Promoting and Advancing the implementation of the Voluntary Principles Internationally*

In Zambia Barrick established the Lumwana Township Working Group to address gender based violence (GBV) in the community. The Working Group provides updates to the Barrick CSR Advisory Board on key risks and opportunities, as well as various GBV initiatives underway including training programs and proposed partnerships with third party organizations such as CARE Zambia.

In Peru Barrick signed a new Memorandum of Understanding with the Peruvian National Police to cover the support the police provide to both Pierina and Lagunas Norte. At Pierina the site has continued to make an effort to promote the Voluntary Principles with external stakeholders at the local level. This past year the Public Relations and Social Closure teams distributed booklets to the community on the Voluntary Principles and Barrick’s commitment to respecting human rights.



Figure 1 - Voluntary Principles Booklet

## B. Policies, Procedures, and Related Activities

4. *Relevant policies, procedures, and/or guidelines (or any changes thereof from the previous reporting year) to implement the Voluntary Principles.*

The company continued to focus on ingraining the existing policies and procedures in the day-to-day work of the Security department in 2017, including Barrick’s Human Rights Policy (2011), which includes a commitment to adhere to the requirements of the VPSHR. In addition to Barrick’s *Security Policy (2009)*, the Company has a Security Management System that, among other things, incorporates the implementation of the Voluntary Principles through, primarily, the *VPSHR Standard (2010)* and accompanying internal audit

protocol developed in 2011.<sup>2</sup> Additional procedures and guidelines that form part of this system and are related to the VPSHR include: a detailed Use of Force Procedure (2010); a *Code of Conduct* for security officials (Company or private); a procedure for apprehension arrests and detention (2011); a procedure for the reporting and escalation of human rights allegations and related legal violation (2011); a procedure for the investigation of human rights violations (2011); procedure for the procurement, use, storage and recordkeeping for weapons and/or ammunition under the International Traffic in Arms Regulations (ITAR); a procedure for the handling of confidential informants; a procedure for meeting, and entering into agreements, with public security officials or agencies (2010); guidelines for the management of artisanal and/or illegal miners (2008); procedure for handling women trespassing onto Barrick sites; a procedure for conducting formal risk assessments (2009); and a standard for managing risk (2015). The *VPSHR Standard* and accompanying internal and external audit protocols are the most important drivers of Company performance in this area. Since 2014, all sites have a Human Rights Register in which they record and track all incidents of human rights related allegations for the twelve-month period.

Reporting to the Senior Vice President & Operations Officer, the Director of Global Security oversees the operational implementation of the VPSHR. Security works closely with other departments such as Corporate Social Responsibility (including Community Relations) and the Office of the General Counsel (legal) to promote policy and procedural coherence in implementation.

In 2017, Barrick contracted Avanzar to conduct a desktop review of the company's existing security and human rights (VPSHR) management system, including: related policies, procedures, standards, guidelines, training materials and monitoring and evaluation processes. The objective of the review was to ensure that the VPSHR Standard is aligned with the most recent set of international guidelines and principles related to security and human rights. Avanzar cross referenced Barrick's VPSHR Standard and related policies and procedures with the following set of documents:

- a. VPSHR Implementation Guidance Tool, ICMM, ICRC, IFC & IPIECA
- b. Auditing Implementation of VPSHR, Global Compact and Business for Peace
- c. Addressing Security Challenges in Complex Environments, ICRC & DCAF
- d. The Global Reporting Initiative
- e. Child Rights Security Checklist
- f. Child Rights and Mining Toolkit
- g. IFC Good Practice Handbook Use of Security Forces: Assessing and Managing Risks and Impacts

In addition to ensuring the VPSHR Standard is up to date and relevant, a second objective of the review was to improve the Standard's ease of adoption and use by Barrick's mine sites.

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<sup>2</sup> This internal audit protocol is distinct from, and in addition to, the annual external audit for compliance with the VPSHR carried out by an independent external specialist.

Avanzar conducted phone interviews with site based Security Managers and head office personnel who are accountable for VPSHR implementation. Avanzar sought their feedback on the strengths and weaknesses of the current VPSHR Standard and how to improve its implementation in practice. A number of recommendations were made to ensure the VPSHR Standard incorporates the necessary measures to respect children's and women's rights; provides sites with adequate guidance to conduct robust security and human rights risk assessments; and assist sites in identifying opportunities to engage with external stakeholders on the Voluntary Principles. The revised VPSHR Standard will be rolled out to sites in 2018.

5. *Company procedure to conduct security and human rights risk assessments.*

Barrick uses a set of criteria to determine whether its sites are classified as a Category 1, 2 or 3 security risk in relation to security and human rights. There have been no significant changes to the risk assessment system since the 2015 report. Specific elements of the Voluntary Principles are incorporated into this risk assessment tool, including such things as: the strength of the rule of law in a country; documented security and human rights violations; and the institutional strength of a country's public security. A review of human rights reports by governments, international agencies and non-governmental agencies, combined with on-the-ground interviews with governmental, non-governmental and community actors inform this risk assessment.

In addition to the corporate level risk assessment, each site operated by Barrick is required to complete an annual security risk assessment that includes an assessment of security and human rights related risks (e.g. the risk of public security using excessive force while managing a security incident on a Company site). Sites are required to identify both existing and additional controls to avoid or mitigate such risks. The identified site risks are sent to the Director of Global Security for review and are reported to corporate and the Risk Management and Assessment Department through weekly Business Plan Review (BPR) meetings.

Independent assessors from Avanzar LLC<sup>3</sup> also assess site level security and human rights related risks on a bi-annual or tri-annual basis, as well as the sites' level of compliance with

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<sup>3</sup> The external assessors that have been used by Barrick to date for these VPSHR reviews have been Jim Rader, Christina Sabater, Melissa Whellams and Marc Forget from Avanzar LLC. Rader is a former international development professional who worked as Director of the Extractives Program at Business for Social Responsibility (BSR). In his capacity at BSR, he represented that organization on the Secretariat of the Voluntary Principles for a number of years. In 2005, he also directed a confidential study of the implementation progress of all VPSHR members. Sabater trained as an ISO-certified auditor and was a lead social auditor for a major mining company for a number of years. She also worked as a Sr. Manager at BSR. Whellams has a Master's degree in international development and worked as a Sr. Manager for Canadian Business for Social Responsibility for a number of years. She has carried out numerous social and security related assessments with extractive companies. Marc Forget is an experienced human rights trainer working with a number of international organizations including the United Nations and has worked closely with conflict resolution processes in Latin America and Africa. Together, these four individuals have carried out over 80

the Voluntary Principles (see Appendix I for more information on the external assessment framework). In 2017, external assessments conducted by Avanzar at the Pueblo Viejo site found that key security risks include roadblocks/protests by community activists, trespassing onto the mine site, and organized crime. The risk assessment also analyzed the potential for human rights violations by security personnel, although the risk was assessed as low given private security personnel are not armed. Avanzar found that the Jabal Sayid risk assessment needed to be updated and include an assessment of security and human rights related risks. Recommendations were made to conduct an annual security risk assessment at Jabal Sayid with input from other departments and external stakeholders were appropriate.

6. *Company procedure or mechanism to report security-related incidents with human rights implications by public/private security forces relating to the company's activities*

Barrick has two channels for reporting security-related incidents with human rights implications by either public or private security forces in relation to the Company's activities:

- i) All sites are required to have a grievance mechanism that meets international standards (specifically the UN Guiding Principles on Business and Human Rights). This mechanism is managed through a Grievance Officer within the Community Relations or Sustainable Development departments and any grievance or incident, including a security-related one, can be reported by a third party via this mechanism. Less serious security-related incidents (such as, perhaps, verbal abuse by a public security official against a local resident) might be identified and dealt with through this site mechanism.

Third party assessments conducted by Avanzar at Pueblo Viejo and Jabal Sayid revealed that the sites were implementing grievance mechanisms aligned with Barrick corporate standards. However, Avanzar found that community members around Pueblo Viejo were not highly aware of the grievance process and that some grievances were not resolved in a timely manner. Recommendations were made for improvement. No security and human rights related grievances were lodged at either site in the past year.

- ii) More serious security-related human rights incidents that are deemed to be material (for example, allegations of serious injury or death) might be surfaced through either the grievance mechanism procedure described above or, more likely, through a direct incident report by the site Security or Community Relations Departments. Internal and external stakeholders may also report incidents via the company's Compliance Hotline.

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VPSHR assessments with a variety of extractive companies on four continents. The reports produced by these assessors are treated with high priority and go directly to the Office of the General Counsel and the Chief Sustainability Officer for their information and for items to be actioned.



Barrick has a *Human Rights Violation Reporting and Escalation Procedure* that requires all of Barrick employees and contractors to report any actual or potential human rights violations to mine or project management, in-house legal counsel or through the Barrick Compliance hotline. Category III allegations, such as those related to security and human rights, are referred to the Country/Regional Legal Counsel and the Office of the General Counsel.

In addition, Barrick has a procedure for the *Investigation of Security Related Human Rights Allegations*. This procedure requires a site to immediately notify the Office of the General Counsel and the Chief Sustainability Officer for any serious incident involving private or public security. The Office of the General Counsel will then ensure that an external investigation of the incident or allegation is carried out by specialists in the area to try and understand the underlying factors (root causes) behind the incidents. All reports from these investigations are commissioned by the Legal department and treated as privileged and confidential.

For official government investigations, Barrick typically cooperates with government investigators through the provision of information and data relevant to the allegations. Where practicable, the company stays abreast of the status of the investigation through continuous contact with the government and public security.

All security related incidents are required to be reported via the security reporting requirements and a summary is communicated to operations Executive Management on a monthly basis. In conjunction with the Director of Global Security, the Chief Sustainability Officer also presents key events and findings to the Corporate Responsibility Committee of the Board of Directors.

7. *Company procedure to consider the Voluntary Principles in entering into relations with private security providers.*

Barrick uses Company security officials and/or private contractors to provide security at some sites, depending on the situation in the countries in which its sites are located. The Company carries out due diligence on each private security provider that it employs, including looking at such issues as: professional reputation in the country or industry; reported cases of violence by its personnel; awareness of security and human rights issues; screening procedures for its security personnel; company training programs on the use of force and other VPSHR-related elements; codes of conduct; and where the company recruits its security guards from (e.g., whether they are ex-military or police or young people who are then trained as security guards).

Barrick contractually requires all private security contractors to be compliant with the Voluntary Principles, as well as Barrick policies and procedures relating to such things as the Use of Force, the Security Code of Conduct and Human Rights Policy. Compliance with the

VPSHR and the ability to monitor this compliance is incorporated into the service agreements of all contractors.

The independent third party VPSHR assessors review a variety of elements to assess the degree to which private security contractors are compliant with relevant elements of the VPSHR, including: the relevant parts of the service agreement requiring compliance with the VPSHR and Barrick security policies; security-related human rights background screening procedures (verified by reviewing personnel files and hiring documents); VPSHR and use of force training programs (verified by reviewing training materials and assessment of training documents such as post-training tests); comprehension of private security officials on their responsibilities under the VPSHR (verified through on-site interviews and scenario testing); and other elements.

8. *Company procedure or mechanism to investigate and remediate security-related incidents with human rights implications by public/private security forces relating to the company's activities*

Barrick has a zero-tolerance policy for security and human rights related violations on its sites and takes active measures to enforce its policies and procedures to try to avoid such violations from occurring. Mine site investigations personnel investigate all incidents involving the use of force and independent investigators are brought in to investigate incidents involving serious injury, death or human rights violations.

Barrick's Human Rights Compliance program outlines how the company addresses breaches of its human rights policies or procedures. For third party suppliers, discipline for committing human rights violations, failing to report violations, and hindering investigations may include termination of existing relationships, requests for focused training, and other measures. In addition, when Barrick identifies negative human rights impacts that the Company has contributed to or caused, the Company strives to take a culturally appropriate and thoughtful approach to remediation, as per the Barrick Human Rights Remediation Procedure. In assessing when remediation may be appropriate and the nature of the remediation to be provided, Barrick recognizes the importance of victim participation, stakeholder input, as well as the potential need for independence from the operational unit that may be involved in the negative impact. While remedies for negative human rights impacts will naturally differ depending on the circumstances, in-kind remediation is often preferred to cash, and sites have adopted guidelines that consider such factors as: the degree and nature of the harm suffered, whether mine personnel were involved and on duty, whether third party perpetrators used mine resources or committed an act related to their contracted duties, the nature of the evidence in support of the claim, the individual's age and personal circumstances, and local laws.

There were no reported human rights and security related allegations at Pueblo Viejo or Jabal Sayid in 2017.

## **C. Country Implementation**

### *9. Overview of country operations selected for reporting (include any notable changes from the previous reporting year if the same country is being reported this year)*

Pueblo Viejo (Dominican Republic), and Jabal Sayid (Saudi Arabia) are the focus of this year's report as thorough external assessments of their compliance with the VPSHR were conducted in 2017. Some limited information is provided on work being carried out in Peru. Lumwana, Pierina and Lagunas Norte are scheduled to be assessed by external assessors in 2018 and will be reported on in more detail in the 2018 Plenary Report.

### *10. Engagements with stakeholders on country implementation*

In Dominican Republic, Pueblo Viejo promotes the VPSHR with its own private security contractor as well as with its JV partner EGE Haina and EGE Haina's security contractor. Pueblo Viejo also approached other companies operating in the country but they did not express any interest in discussing the Voluntary Principles. An attempt was made to organize a joint training program with the Institute of Human Dignity for the national police; however, due to changes in leadership at the police, this was postponed to 2018. Pueblo Viejo does, however, provide an overview of the Voluntary Principles and Use of Force to police stationed on site and to those who work in the communities surrounding the mine sites. The site reinforces the respect for human rights any time police are called to assist with demonstrations, road blocks and protests related to the mine site.

In Peru, Barrick has been a member of the Voluntary Principles working group since 2013; however, due to staff turnover Barrick was not active in the working group in the past two years. A new Security Manager has been assigned responsibility to ensure ongoing implementation of the Voluntary Principles at both Peruvian sites (Pierina and Lagunas Norte) and to re-engage with the Peruvian Voluntary Principles Working Group in 2018.

In Saudi Arabia, Barrick has encouraged Ma'aden Barrick Copper Company (MBCC), the operator of the Jabal Sayid 50-50 JV to formally adopt the Voluntary Principles and Barrick's Human Rights policy. While such recommendations have yet to be accepted, the site observes all of Barrick's security procedures which are based on international standards and the Voluntary Principles. Barrick's corporate Legal department works closely with Ma'aden to ensure that the site upholds all applicable laws.

### *11. Voluntary Principles considerations in the selection of private security providers and formulation of contractual agreement with private security providers, as well as an arrangement with public security forces*

For information on the selection of private security contractors and formulation of contractual agreements with these, please see the answers to number 7 above.

As detailed above, Barrick has a specific procedure on how to enter into and manage written agreements with public security agencies. This procedure notes that prior to entering into and managing any agreements with public security agencies for any additional external security that might be needed at Barrick sites, the Company will carry out due diligence using external specialists to help it identify any challenges there might be in working with these agencies. This includes examining external human rights reports and the national laws that regulate the conduct of these agencies, particularly in such areas as the use of force, treatment of apprehended persons, incident review processes, etc.

The Company then begins a dialogue with public security officials about the arrangements for any additional external security support. These discussions include issues related to the conduct of the public security officials providing the external site support and performance expectations under national or international laws or standards. Some scope is given to allow for national differences about how adherence to these norms might be expressed.

Avanzar's assessment of Pueblo Viejo in 2017 found that the site has incorporated compliance with the Voluntary Principles in its contract with its private security provider, and adequately monitors screening and training carried out by the contractor. Pueblo Viejo has also included in the contract with EGE Haina (JV partner and manager of the Quisqueya power plant and transmission line) that both parties agree "to comply with all relevant laws and regulations of the Dominican Republic related to arrest, detention, search, and the use of force, all relevant directives, by-laws and regulations, including local laws pertaining to minimum force necessary to control violent situations and, where not inconsistent, the UN Code of Conduct for Law Enforcement Officials."

Pueblo Viejo also has Agreements/ Memorandums of Understanding (MOU)s in place with the Police and the Military which require that the public security institutions must comply with national and international standards related to human rights and security, including the Voluntary Principles on Security and Human Rights.

In Saudi Arabia there are no private security contractors contracted to Jabal Sayid. The High Commission for Industrial Security (HCIS) mandates the presence of two separate public security forces: The Facilities Security Force (FSF), which patrols the outside perimeter of the site; and a special explosives police force that guards the onsite explosives magazine. JV partner Ma'aden Barrick Copper Company (MBCC) manages the contract with FSF and Barrick has limited ability to incorporate elements of the Voluntary Principles in the contract.

With regards to selection of individual guards, Barrick policies stipulate that security personnel at all sites must pass a pre-employment screening that includes a criminal background check. Barrick policies also provide that contractor security personnel must provide proof of background check when assigned to the site. Third party assessors confirmed that Pueblo Viejo conducts criminal background checks for all of its employees

and carries out additional screening for security personnel through social media. Assessors also found that Pueblo Viejo's private security contractor obtains criminal background checks for all of its guards and cross references these with the police database to improve accuracy of information. Such additional screening measures adopted by both the site and the private security contractor have helped to reduce the risk of hiring guards who have been credibly implicated in human rights violations. Third party assessors confirmed that all employees of Jabal Sayid must clear a criminal background check and an extensive screening by the High Commission on Industrial Safety.

*12. Examples of supporting outreach, education, and/or training of (i) relevant personnel, (ii) private security, (iii) public security, and/or (iv) civil society (e.g., local NGOs, community groups)*

Barrick policies provide that all security personnel at designated Level 2 and 3 sites receive training on the Voluntary Principles, the Barrick Use of Force Procedure and the Security Code of Conduct before they begin work. Training is conducted during their induction, and refresher training is provided on a minimum of an annual basis at all sites. Comprehension is tested through written and/or oral exams. Most sites have adopted scenario testing, including through the use of video, to more realistically simulate field conditions and improve comprehension. A form is signed that certifies that the person has received the training, has understood it and will apply it in the course of implementing their job responsibilities.

As well, Barrick policies provide that all direct and contracted security personnel complete training on specific elements of their job responsibilities that have some bearing on security and human rights, including: weapons handling and storage; treatment of injured persons; handling of apprehended individuals; identification and reporting of security-related human rights allegations; and others. At most sites, security personnel are also given some training on how to identify and how to report sexual assault and sexual harassment.

To reinforce the implementation of the Voluntary Principles on a daily basis at the site level, sites have provided guards with reference cards on the Use of Force and the Voluntary Principles, posted human rights and security related policies and procedures at guard posts, main gates, and security offices. At some sites, the Security department has distributed VPSHR related reference books to all guards. In addition, the Security departments review specific security and human rights related policies and procedures (e.g. Use of Force, Arrest and Detention) with guards during daily shift changes.

In Peru, the Pierina Security team conducted training with its own personnel and its third-party security guards on the Voluntary Principles, the Use of Force, Barrick's Security Code of Conduct, and human rights in general. In 2017 the site trained 2 Barrick security employees and 54 guards contracted to the site.

Third party assessors confirmed that Pueblo Viejo security guards complete a half-day induction training on the VPSHR, the Use of Force and the Code of Conduct prior to beginning work. The private security contractor also provides training to their guards on the VPSHR, the Use of Force, and Human Rights prior to sending them to site. While Pueblo Viejo does not manage the 50/50 JV Quisqueya power plant nor does it oversee the contract with the private security provider to the plant, it does extend its annual refresher training to the guards posted there. This additional training offered to the guards at Quisqueya has helped to improve guard understanding of human rights and the use of force procedure over the past year.

At Jabal Sayid, external assessors confirmed that all company security personnel must undergo training on Security Code of Conduct, the VPSHR, and Use of Force. The training program in place utilizes Barrick's content and materials and a database is in place to track when refresher training is due.

At most sites where public security forces provide some additional external security protection, one or more of the following orientation courses of deployed police officials is held by the site or a contracted third party: the MOU between the public security agency and the Company; the Voluntary Principles; the United Nations Basic Principles on the Use of Force and Firearms for Law Enforcement Officials; the United Nations Code of Conduct for Law Enforcement Officials; Human Rights; the Barrick Use of Force Procedure; and Sexual Harassment.

In Peru, the Security team at Pierina continued to provide information sessions/workshops to police/military personnel on the Voluntary Principles, the Use of Force, Barrick's Security Code of Conduct, and human rights in general.

Third party assessors found that all police who arrive on site at Pueblo Viejo must go through a site induction and security induction on the VPSHR and the Use of Force. PVDC then carries out refresher training with the police stationed on site at least once per year. PVDC also organized information sessions with the Las Lagunas police and members of the military on the VPSHR and Use of Force in 2017. Police stationed in the communities Bonaio, Cotui, Santo Domingo and La Vega will be included in the next co-sponsored training conducted with the Institute of Human Dignity in 2018.

All Facilities Security Force personnel who patrol the perimeter of the Jabal Sayid site in Saudi Arabia must complete site induction training; however, no separate training on human rights and security is delivered. Barrick's Director of Global Security plans to meet with the site General Manager and Ma'aden's Security Manager in Q1 2018 to discuss implementation of the Voluntary Principles.

In addition to outreach with private and public security, Barrick sites work to communicate its commitment to the Voluntary Principles and respect for human rights to its communities of impact. At Pueblo Viejo, the mine site receives community visitors for mine tours on a

weekly basis. During these tours, the Security department provides visitors with information on the Voluntary Principles, including the history of the VPSHR and the various elements (e.g. relationships with public and private security and risk assessment). The relationship with public security has generated the most interest and this presentation has helped the site to explain what role the police have on site. The site informs the visitors about the MOU and the conduct they expect from police. They urge community members to report anything they believe is not appropriate conduct. The site also provides an overview of the role of the military on site.

In Peru, the Pierina Security department distributed booklets to community members on the Voluntary Principles and Barrick's commitment to human rights. The site delivered an information session on these topics to 1500 community members in 2017.

The following are photos of communication on the Voluntary Principles that was carried out by Pueblo Viejo and Pierina with public security and the community in 2017.



Figure 2 –Presentation with National Police, Pueblo Viejo



Figure 3 - Presentation with Military, Pueblo Viejo



Figure 4 - Presentation with Community Members, Pueblo Viejo



Figure 5 - Presentation with University Students, Pueblo Viejo



Figure 6 - Information session with Military, Pierina



Figure 7 - Information session with Police, Pierina

### *13. Company procedure to review progress on implementing the Voluntary Principles at local facilities*

Barrick has opted in to the corporate pillar verification framework and takes various measures to assess its sites' performance against the Voluntary Principles requirements including both internal reviews of employee performance and external compliance assessments. The implementation of the Barrick *VPSHR Standard* requires that VPSHR-related responsibilities are integrated both horizontally and vertically in key position descriptions and annual performance assessments throughout the organization and not just in direct security-related positions, including at sites, country, regional and corporate offices.

Barrick's Risk Management and Assurance Department is responsible for carrying out audits related to security at level 2 and 3 sites. The audits include a review of sites' implementation of the Use of Force Procedure, the Security Code of Conduct, pre-employment screening procedures, and implementation of public security MOU's. Each audit produces an action plan where required. Barrick has implemented an action-tracking program that promotes accountability and follow-up by assigning specific individuals action items and tracking completion of actions through an internal notification system.

Level 2 and 3 sites are required to have at minimum a bi-annual or tri-annual external, independent VPSHR security and human rights assessment in relation to their compliance with the Voluntary Principles. The independent external assessor produces an action plan for identified opportunities for improvement, and implementation is monitored by corporate security.

In 2017, independent third-party consultant, Avanzar, conducted on site assessments against Voluntary Principles requirements at Pueblo Viejo and Jabal Sayid. Avanzar evaluates the sites' performance in the areas of demonstrated level of commitment to and accountability for the implementation of the Voluntary Principles; risk assessment; measures taken to promote the Voluntary Principles with private and public security; processes to manage allegations related to security and human rights; and the effectiveness of engagement with external stakeholders both locally and nationally on the Voluntary Principles. See Appendix I for an overview of Avanzar's assessment framework.

#### *Assessment Results:*

- Both Pueblo Viejo and Jabal Sayid showed increased conformance with the Voluntary Principles since their previous assessments.



- Private security personnel (both Barrick and contractor) were well versed in the Voluntary Principles and Barrick security and human rights related policies and procedures at Jabal Sayid and Pueblo Viejo. In Dominican Republic, the guards of the private security contractor to the JV Quisqueya power plant demonstrated improved knowledge of human rights and the Use of Force procedure since Avanzar's previous assessment. This was attributed to refresher training that had been carried out by Barrick Security personnel.
- In 2017 there was one large union strike at Pueblo Viejo in which union workers assaulted company supervisors and marched on the administrative building. Avanzar's assessment found that private security personnel remained calm despite protesters physically pushing their way through a row of security guards.
- At Pueblo Viejo, Avanzar found engagement with the community on security and human rights had also increased since the last assessment. In 2016, the Security department began organizing softball games between police, the community and site security. The purpose of this activity was to help the community to understand that the Las Lagunas Police staff are present first and foremost to provide protection to communities. Police help to provide security to the mine site but are not a reprimand team belonging to PVDC. No softball games had been organized in 2017 but there was a plan to arrange one in 2018.
- At Jabal Sayid there is limited site influence over public security forces that are contracted to the site (as mandated by the HCIS). As a result, the site demonstrates low conformance with the Voluntary Principles requirements pertaining to relationship with public security. A number of recommendations were made to engage with public security and government officials to promote the Voluntary Principles with security personnel who support the site.

In addition to the Security and Voluntary Principles specific assessments, Barrick has a human rights program that includes independent stand-alone human rights assessments conducted by third party consultant Avanzar. Avanzar assesses the actual, potential, and perceived human rights risks and impacts at high-risk Barrick operations and advanced projects. One of the categories of assessment is security and human rights which looks at how human rights could be impacted by the company's security arrangements. Fund for Peace, a well-regarded NGO that works to prevent conflict and human rights abuses and is on the VPs Steering Committee, has served as an external and independent advisor to the company in this program. Their role has included reviewing and editing the assessment tool being used, providing guidance on the assessment plan, reviewing reports, and discussing follow-up priorities. Professor John Ruggie, former UN Secretary General Special Representative for Business and Human Rights, may also provide advice and guidance on discrete issues associated with the assessments.

## D. Lessons and Issues

### 14. *Lessons or issues from this reporting year, as well as plans or opportunities to advance the Voluntary Principles for the organization*

Barrick continues to see the value in promoting and implementing the Voluntary Principles at its sites and in the countries in which it operates. Ongoing training of guards reduces the risk of human rights related violations and helps security personnel to effectively manage conflict situations while respecting human rights (as demonstrated during a union strike at Pueblo Viejo).

One lesson learned in 2017 is the value in Security personnel engaging directly with the community. According to stakeholders interviewed by Avanzar, softball games organized with Pueblo Viejo Security personnel, the police, and the community, has helped to strengthen the relationship between the site security and community. If community members see security personnel as human beings and a friendly face, they will be less likely to throw rocks or act aggressive in the case of road blockades or protests related to the site.

The review of the Barrick VPSHR Standard also shed light on some areas for improvement. These include providing the sites with additional guidance on what is expected of them in terms of engagement with civil society groups and the communities of impact on security and human rights issues. To improve the monitoring and measurement of security providers' compliance with Voluntary Principles requirements, the review also found a need to provide the sites with a performance evaluation checklist that can incorporate into the contracts with their providers. Finally, the review found that training materials and programs need to focus more on the practical application of the Voluntary Principles and topics that are relevant to security guards' day to day functions.

In response to the above lessons learned and an ongoing commitment to continuous improvement in the implementation of the Voluntary Principles, the following initiatives are planned for 2018:

- Revise the VPSHR Standard based on a review and recommendations made in 2017 and roll out to all sites.
- Collaborate with the Institute of Human Dignity in Dominican Republic to conduct a joint training on human rights with the national police.
- Organize baseball game(s) with security personnel, police and community members at Pueblo Viejo.
- Re-engage with the Voluntary Principles working group in Peru.

- Conduct intensive induction training on the Voluntary Principles and Barrick's related policies and procedures with the new Security management team at Lagunas Norte.
- Participate in the Annual Plenary Meeting of the Voluntary Principles Initiative on Security and Human Rights in Washington D.C. in March 2018.
- Continue to be a member of the Voluntary Principles Initiative Steering Committee.
- Contract Avanzar to conduct independent third party Voluntary Principles assessments at Pierina, Lagunas Norte (Peru), and Lumwana (Zambia).
- Contract Bureau Veritas to provide assurance on VPSHR implementation at the following sites: Pueblo Viejo (Dominican Republic) and Goldstrike (USA).
- Create a generalized updated training package on the VPHSR that will be provided to all sites, along with a matrix outlining which training is relevant to sites based on security arrangements.
- Continue to collaborate with UNICEF Canada addressing children's rights under the Voluntary Principles framework. This includes working on creating an accompanying manual to the Child Rights and Security Checklist.
- Continue to participate in the VPI Training Project Working Group to develop a model security and human rights training package for VPI members.
- Meet with the Security Manager for JV partner Ma'aden in Saudi Arabia to discuss the implementation of the Voluntary Principles at Jabal Sayid.

## APPENDIX I

### External Voluntary Principles Assessment Framework

Barrick believes that security at a mine site is, generally, a function of three elements:

1. the physical security provided by the security or asset protection departments;
2. the overall relationship with the surrounding communities; and
3. the overall respect for the rule of law and the strength of institutions that enforce the law (i.e., public security, the judicial system) within the particular area or country where the mine is located.

Consequently, the Voluntary Principles' risk assessment tool that the Company employs attempts to assess security-related human rights risk in all three areas. Obviously, the ability of a company to influence the different areas varies, and this variability must be addressed in the actual efforts that an operation makes to reduce the identified risks in each of the different categories.

The assessment tool used by the external assessors is based on ISO standards for management systems (such as 14000) and on the AA1000 principles for assurance: inclusiveness, materiality, and responsiveness. The template is comprised of seven sections or categories of assessment, including: company management, company or private security, public security, engagement with local or Indigenous communities, the political-legal setting of the country, artisanal or illegal miners and the potential for violence. Each category has a series of sub-elements and the majority of content of the categories and the elements are drawn directly from, and test compliance with, the Voluntary Principles. There is a total of 114 elements assessed in each external VPSHR assessment.<sup>4</sup>

However, the risk assessment tool also draws on the field experience of Avanzar's principals in engagement with external stakeholders, including local communities, indigenous peoples, and artisanal or illegal miners and a significant number of elements assessed are drawn from the field experience of the assessors. While the Voluntary Principles do not explicitly require an analysis of relations with such external stakeholders, the nature and quality of the relationships that a site maintains with these actors will have a direct impact on the security-related human rights risk environment which it faces.

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<sup>4</sup> At present, Barrick uses the term "assessment" for these evaluations rather than "audit," as that latter term implies a commonly accepted set of standards and practices for carrying out such assessments. The external VPSHRs assessments are increasingly moving towards a greater audit discipline but are not quite there yet.