

1. Introduction

1.1 Purpose

This tax policy sets out the global standards for managing tax activities within Barrick Gold Corporation and its subsidiaries. This document does not replace other legal or regulatory requirements for control over tax activities (e.g. SOX compliance requirements).

1.2 Ownership, Updating and Communication of the Tax Policy

This tax policy is owned by the Senior Vice President Tax and Treasury (SVP Tax), endorsed and supported by Region CFOs and the SVP Assurance and Risk and approved by the Group CFO.

This tax policy is reviewed on an annual basis, or following significant changes to the business, regulations and tax legislation that may have an impact on this tax policy.

Clarification on interpretation of the contents of this tax policy should be referred to the SVP Tax.

1.3 Scope

This tax policy sets out the approach to governing tax activity in all jurisdictions in which Barrick currently operates and/or has tax reporting/compliance obligations or is planning to have tax reporting/compliance obligations (e.g. in the business development phase).

The following key tax areas and associated activities are covered by this tax policy:

- Tax governance
- Management of tax risks
- Principles of tax planning
- Compliance and relationship with tax authorities
- Tax policy
- Transparency and disclosure

2. Tax governance and risk management

2.1 Tax governance

Barrick's tax governance framework is documented in its tax risk management section below.

The Barrick board's role is oversight and monitoring, including ensuring effective governance processes and appropriate risk management frameworks are in place to ensure compliance with applicable laws and regulators' policies. The Board has overall responsibility for our tax affairs and has delegated oversight of tax management to the Audit and Risk Committee and management, including periodic review and approval of this strategy. The Audit and Risk Committee are provided updates on all significant tax matters at their quarterly meetings.

2.2 Tax Risk Management

The purpose of this section is to establish a standard for Barrick with respect to tax risk management. It also sets out certain documentary requirements to assist in monitoring, tracking and managing tax risk. This is critical in the current environment of new and changing tax laws and regulations, new ways of interpreting existing rules, and the administration in multiple taxation jurisdictions.

In addition to fulfilling regulatory requirements, Barrick's tax risk management process provides:

- Audit and Risk Committee/Board of Director level understanding of material tax risks on a quarterly basis; and
- A framework and process for tracking and managing tax risk.

Specifically, while Barrick seeks to organize its tax affairs in a tax-effective and tax-efficient manner within the law, it will only enter into transactions that are related to and contribute towards Barrick's business operations and objectives.

We will consider all tax risk matters by reference to the following objectives:

- Ensure tax risks are considered in the commercial process of pursuing Barrick's business interests.
- Provide for a consistent approach to managing tax risks across the world having regard to relative political risks and local environments.
- Manage reputation and relationships with authorities that are critical while at the same time defending our filing positions where we believe they comply with the spirit and form of the law; and
- Maintaining the resources needed to manage tax risks.

3. Tax planning and inter group transactions

3.1 Tax planning

Our tax planning is based on reasonable interpretations of the law and is aligned with the substance of our economic activities.

Our tax attributes derived as a result of our economic activity are one factor that influences our structuring choices. Other factors include but not limited to the legal environment in which we wish to operate, the ease of doing business in certain jurisdictions, access to investment protection treaties and our ability to manage foreign exchange risk. Therefore, while we do undertake tax planning, our business strategy will always take precedence over our tax strategy, and we do not participate in any tax planning that is considered aggressive, contrived or artificial.

3.2 International related party transactions

Barrick group consists of a number of separate legal entities established across a number of jurisdictions. Our business activities are coordinated in terms of assets, capital and personnel on a global basis.

International tax guidance such as the OECD Transfer Pricing Guidelines (or the local equivalent laws) generally governs the pricing of the transactions between each jurisdiction. We prepare appropriate transfer pricing documentation consistent with the requirements of the jurisdictions where we operate.

4. Tax Compliance and relationship with tax authorities

4.1 Scope and Purpose

The purpose of this section is to set out our approach to managing tax compliance and our relationship with tax authorities. For the purposes of this policy, “tax compliance” means compliance with tax legislation, regulations, protocols and rulings, Income Tax filing requirements (including tax and information returns), Transfer Pricing filing requirements, Indirect Tax filing requirements and tax payment obligations.

4.2 Our Approach

Barrick is committed to complying with tax laws in all countries in which the Group operates. The positions taken in Barrick’s tax returns are supported by relevant tax law. Where the law is subject to different interpretations, we seek appropriate advice. We take advantage of government concessions within the spirit they are intended.

When the application of sound judgement is required, it is taken by appropriately qualified tax professionals within a collaborative environment of consultation with the business. We employ appropriately trained tax professionals in the countries where we have material economic activities.

Tax risks are identified, evaluated, and accounted for appropriately. We continually seek to improve processes for assessing, recording, and reporting of tax risks to ensure transparency and appropriate decision making to manage risks. Our tax planning is based on reasonable interpretations of the law and is aligned with the substance of the economic activity. Where there is significant uncertainty or complexity in relation to tax risk, external advice may be sought.

We seek to prepare and file all tax returns on time, and make all tax payments on time.

4.3 Relationships with Tax Authorities

We seek to build and sustain our relationships with governments and revenue authorities in an honest, respectful, and constructive way. We never intentionally mislead any government official or attempt to conceal, alter, or destroy documents, information or records that are required to be held by law. Where legislation is viewed as having an adverse effect on business activity or if opportunities to improve the law have been identified, we engage with governments on the opportunities for reform.

Barrick may choose to agree to tax conventions, protocols or private tax rulings that will help mitigate the above risk factors and provide certainty where such an opportunity is available.

4.4 Tax disputes

Given the uncertainty around the application of tax laws, complexity of our operations and tax laws are often subject to interpretation, our tax positions may be subject to increased scrutiny.

We approach both the disputes and scrutiny with fair and transparent way and always look for an opportunity to resolve the disputes in a manner which is efficient, economical and procedurally fair. Notwithstanding the above, we reserve all our rights to seek appropriate redress should it be necessary.

5. Tax Disclosures and Transparency

5.1 Scope and Purpose

The purpose of this section is to set out our approach to managing tax disclosures and transparency.

5.2 Our Approach

Barrick seeks to ensure full transparency towards all stakeholders without compromising the confidentiality entailed in running its business and ensuring its commercial operations are competitive.

Barrick operates in tax jurisdictions which have several mandatory and voluntary tax transparency regimes under various OECD or government initiatives. In addition, some governments are in the process of implementing OECD tax transparency regimes.

The tax transparency regimes relevant to Barrick, and to which we adhere, are summarized below.

Mandatory tax transparency regimes

OECD BEPS Action 13 requires Country-by-Country (“CbC”) Reports to be filed by resident entities that are the ultimate parent entity of a Multinational Enterprise group (“MNE group”). Barrick is required to prepare and submit a CbC Report to the Canada CRA on an annual basis for the global Group (MNE group). The Barrick CbC report would currently only be exchanged with competent authorities in jurisdictions where global affiliates are located. Jurisdictions may use the Barrick CbC Report for assessing high level transfer pricing risk and economic and statistical analysis. The information in the Barrick CbC Report will not be used as a substitute for a detailed Transfer Pricing Analysis of individual transactions between foreign affiliated entities.

Voluntary tax transparency regimes

Barrick was the first Canadian mining company to be a signatory to the Extractive Industries Transparency Initiative (EITI) and continues to be a supporting member through Barrick’s membership of the International Council on Mining and Metals. We report detailed CbC tax and royalty payments in line with the requirements of Canada’s ESTMA (Extractive Sector Transparency Measures Act). Barrick was the first Canadian mining company to be a signatory to the ESTMA.

Barrick’s annual global Sustainability Report (and local equivalent) also includes certain information around Barrick’s policies on compliance, risk management, relationships with tax authorities and tax transparency. In addition, Barrick also participates in various tax surveys conducted by industry groups.

6. Engagement with Government for tax policies/proposed new tax laws

6.1 Scope and Purpose

This section sets out our approach to proactively engaging with tax and other government authorities with respect to tax policy.

6.2 Our Approach

Where we believe it might materially affect our business, we will engage constructively with government on options for reform and involve senior management (Region COO and Group CEO). Such communication would also be discussed through industry groups or other relevant bodies where Barrick seeks to take a leadership role. Where Barrick engages directly with government authorities, we strive to maintain good relationships based on mutual respect. Barrick's engagement with the government officials either directly or through industry groups should consistently comply with the requirements of Barrick's global policy and guidelines relating to Anti-Bribery and Anti-Corruption Policies.



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