Risk management

Effective risk management is crucial in helping the Group achieve its objectives. This includes preserving Glencore's overall financial strength for the benefit of stakeholders and safeguarding its ability to continue as a going concern, while generating sustainable long-term returns.

Glencore's approach to risk management and control is approved and overseen by our Board and its committees and managed by our Group Leadership team. Risk management is one of the core responsibilities of the Group Leadership team and it is central to our decision-making processes.

Board

The Board assesses and approves our overall risk appetite and monitors our risk exposure, supported by the Audit, Health, Safety, Communities (HSEC) and Ethics, Compliance and Culture (ECC) Committees.

There are four key areas the Board needs to address to meet its obligations under the 2018 UK Corporate Governance Code:

- conducting a robust assessment of emerging and principal risks;
- monitoring the risk management and internal control system and, at least once a year, reviewing its effectiveness;
- considering the long-term viability and success of Glencore which is dependent on the management of risk; and
- promoting a risk-aware culture that encourages proactive risk-based management and decision making.

In addition to this ongoing work of the Board and its committees, the Board undertakes a complete review of the Group's principal and emerging risks in its Q4 meeting, which are then updated and considered in subsequent meetings as part of the review process for this report and the half-year report.

Board committees

We have five Board committees:

- Audit Committee
- ECC Committee
- HSEC Committee
- Nomination Committee
- Remuneration Committee

These committees provide oversight of the risks in their respective areas. They are tasked with, among other things, evaluating and monitoring these risks. They receive regular reports from the Group external auditor, as well as corporate functions, including:

- Compliance
- Finance
- Group Internal Audit and Assurance (GIAA)
- Health, Safety, Environment, Social Performance and Human Rights (HSEC&HR)
- Human Resources
- IT
- Legal
- Sustainability

Management

Our CEO leads our management team, supported by our CFO, Head of Industrial Assets and General Counsel and the rest of our Group Leadership, comprising our Head of Corporate Affairs, Head of Human Resources and Head of Sustainability, and departmental leadership comprising the heads of each marketing department and our industrial leads.

Management is responsible for the design, implementation and maintenance of the risk management programme. By operation of its oversight function, management reviews on an ongoing basis the impact of our risks and appropriate mitigants.

Management continues to develop and update the relevant internal risk management procedures and standards that support the risk management programme.

Departments and corporate functions

Business risk owners in departments are responsible for their respective operations, including implementing a risk management process that identifies, assesses and manages risk.

Each corporate function monitors risks in its respective area and coordinates and leads the design and maintenance of its relevant risk monitoring programme, which is then implemented by management and relevant risk owners in the business. These corporate functions provide regular updates to the Board and its committees covering various risks and the performance of the relevant controls in place. Reporting covers various topics, including Group VaR, credit exposure, GIAA reports, litigation, compliance monitoring and HSEC&HR matters. The Board also receives updates on the Raising Concerns Programme and material external and internal investigations.

Risk management *continued*

Risk management process

Our risk management approach is modelled after industry standards for internal control frameworks. We seek to apply our approach across the organisation, supported by our controls and risk culture as follows:

Glencore's principal risks and uncertainties (PRUs) are organised into four key pillars:

- Strategic;
- HSEC;
- Finance and Information Technology; and
- Legal, Compliance and Human Resources.

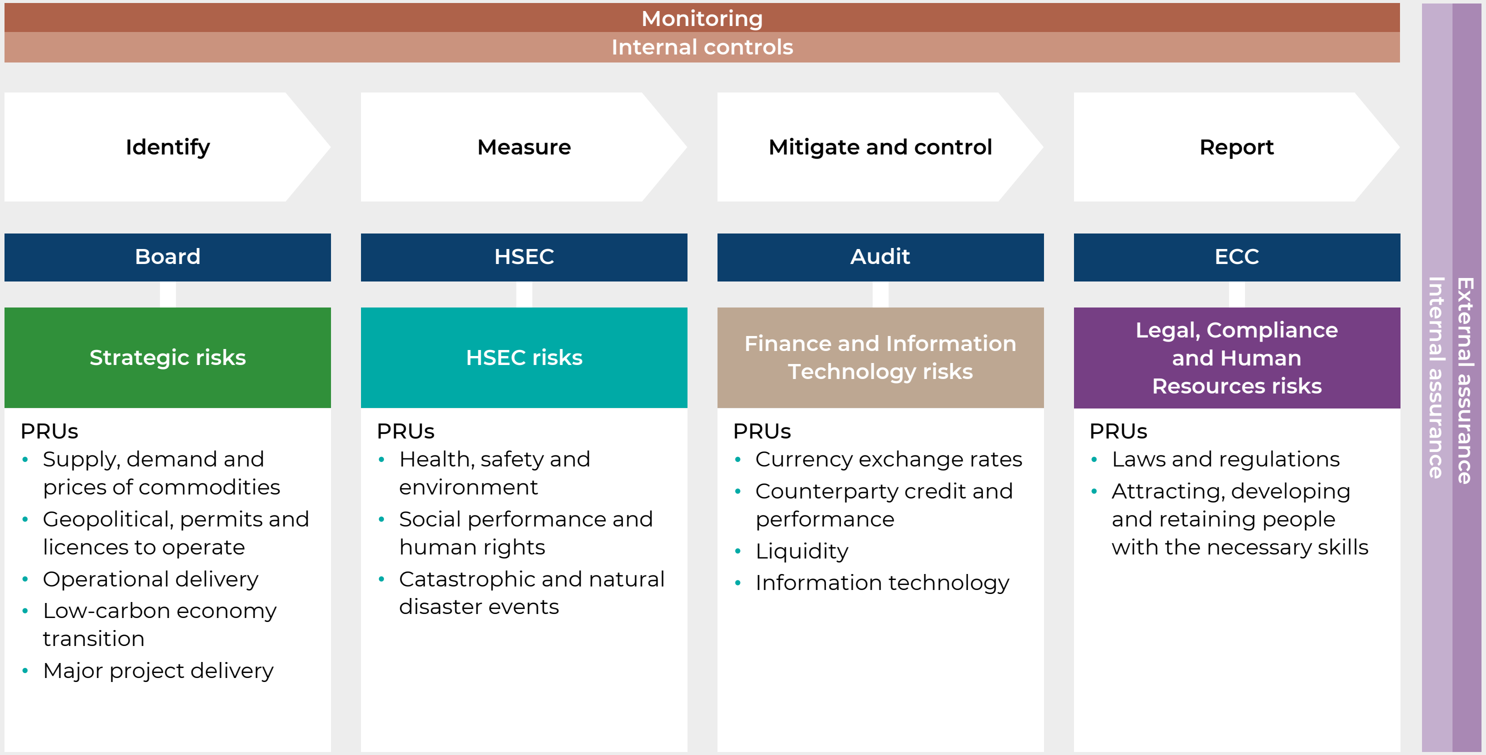
Risk is identified, assessed and monitored across each of the respective functions by applying a framework that identifies material matters and supports an ongoing assessment of what is most relevant to our business and stakeholders.

Managing risk for joint ventures

We take measures to ensure that our material risk management practices are implemented at the joint ventures (JVs) that we control or operate. In other JVs, we seek to influence our JV partners to adopt our commitment to responsible business practices and implement appropriate programmes in respect of their main business risks.

Risk management process

Building on the structure of oversight, responsibility and process, these PRUs are managed across our two segments (marketing and industrial activities) by cross-segment functional teams.



Group Internal Audit and Assurance

GIAA provides independent and objective assurance and advisory services to help strengthen governance, risk management and control processes. In doing so, GIAA supports the Board and senior management in protecting the stakeholders, assets, reputation, and sustainability of Glencore.

The Audit Committee reviews and approves the risk-based GIAA audit plan and the HSEC and ECC Committees review and endorse their relevant components of the plan. These committees are all regularly updated on delivery of the GIAA audit plan, relevant findings, and the progress on the implementation of agreed management actions.

The GIAA audit plan is developed through top-down discussions with senior management and bottom-up independent risk assessments of GIAA's audit and assurance universe. GIAA also performs reviews at the direction of senior management and the Board committees.

GIAA's work focuses on evaluating whether relevant controls are designed adequately and operating effectively to mitigate key risks.

The Audit Committee has concluded that the GIAA function remains effective.

Principal and emerging risks

Our approach is framed by the ongoing understanding of the risks that we are exposed to, emerging trends that could seriously impact our business model, our risk appetite in respect of these risks, how these risks change over time and our efforts to ensure risk monitoring takes place across multiple organisational levels.

In accordance with UK Financial Reporting Council (FRC) guidance, we define a principal risk as a risk or combination of risks that could seriously affect the performance, future prospects or reputation of Glencore. These include those risks which would threaten the business model, future performance, solvency or liquidity of the Group.

The Group understands an emerging risk as a risk that has not yet fully crystallised but is at an early stage of becoming known and/or coming into being and expected to grow in significance in the longer term. Emerging risks typically have their origin outside Glencore and there is often insufficient information for these risks to be fully understood and mitigation by the Group may not be possible.

The Board mandates its ECC, HSEC and Audit Committees to identify, assess and monitor the principal and emerging risks relevant to their respective remits. These committees meet at least four times a year and are always followed by a meeting of the Board, giving the opportunity for all Directors to review and discuss their work.

Risk assessment

The assessment of our principal risks, according to exposure and impact, is detailed on the following pages. The commentary on the risks in this section should be read in conjunction with the explanatory text under the section *Understanding our risk information* below and the *Important notice* at the end of this report.

In total, there are 14 PRUs (2023: 12), of which the following five are the most significant and may potentially give rise to the most material and adverse effects on the Group:

- Supply, demand and prices of commodities;
- Liquidity;
- Geopolitical, permits and licences to operate;
- Laws and regulations; and
- Catastrophic and natural disaster events.

Understanding our risk information

There are many risks and uncertainties which have the potential to significantly impact our business. The order in which the identified risks and uncertainties appear does not necessarily reflect the likelihood of their occurrence or the relative magnitude of their potential material adverse effect on our business.

To enhance understanding, we have sought to provide examples of specific risks, but the below list does not purport to be exhaustive.

Marketing risk management

Glencore's marketing activities are exposed to a variety of risks, such as commodity price, basis, volatility, foreign exchange, interest rate, credit and performance, and liquidity. Glencore devotes significant resources to developing and implementing policies and procedures to identify, monitor and manage these risks.

Glencore's marketing risk (MR) is managed at both the department and corporate level. Initial responsibility for risk management is provided by the businesses in accordance with and complementary to their commercial decision making. A support, challenge and verification role is provided by the corporate MR function headed by the Chief Risk Officer (CRO) via its daily risk reporting and analysis which is split by market and credit risk.

The MR function monitors and analyses the large transactional flows across many locations using timely and comprehensive recording and reporting of resultant exposures, which provides the encompassing positional analysis, and continued assessment of universal counterparty credit exposure.

The MR team provides a wide array of daily and weekly reporting. The MR function strives to continuously enhance its stress and scenario testing as well as improve measures to capture additional risk exposure within the specific areas of the business.

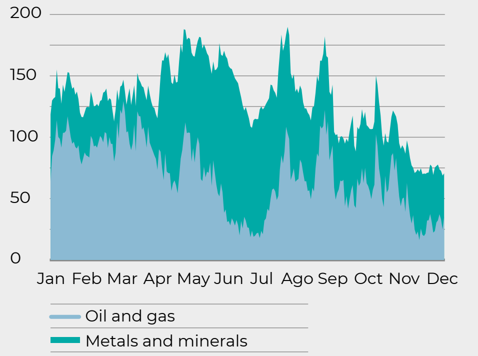
Value at Risk

One of the tools used by Glencore to monitor and limit its primary market risk exposure, principally commodity price risk related to its physical marketing activities, is a value at risk (VaR) computation. VaR is a risk measurement technique, which estimates a threshold for potential loss that could occur on risk positions as a result of movements in risk factors over a specified time horizon, given a specific level of confidence and based on a specific price history. The VaR methodology is a statistically defined, probability-based approach that takes into account market volatilities, as well as risk diversification by recognising offsetting positions and correlations between commodities and markets. In this way, risks can be measured consistently across markets and commodities and risk measures can be aggregated to derive a single risk value. Glencore uses a VaR approach based on Monte Carlo simulations computed at a 95% confidence level and utilising a weighted data history for a one-day time horizon.

Glencore's Board, as part of its annual review process approved a Group VaR limit of $200 million.

The year-end VaR (one day 95%) was $28 million, comfortably within the Group's $200 million limit. Average Group VaR during 2024 was $53 million, with an observable high of $76 million and a low of $28 million, while average equivalent VaR during 2023 was $92 million. There were no limit breaches during 2024.

VaR progression
$m



These PRUs should be considered in connection with any forward-looking statements in this document as explained in the *Important notice* at the end of this report.

Identifying, quantifying and managing risk is complex and challenging. Although we seek to identify and, where appropriate and practical, actively manage risk through the implementation of the requirements outlined in our policies, standards and procedures, there can be no assurance that these measures will be effectively implemented or adequately protect the Group against identified risks, including the PRUs described in the following pages.

This section describes our approach and efforts which seek to manage and mitigate risk. Risk is, however, by its very nature uncertain and inevitably events may lead to our policies, standards and procedures not having the intended mitigating effect on the negative impacts of the occurrence of a particular event. Our scenario planning and stress testing may accordingly prove to be inadequate, particularly in situations where material negative events occur in close succession.

Many risks that we face are connected and the effects of one risk may exacerbate another. This interdependence highlights the importance of considering all potential risks holistically to effectively manage their cumulative impact. Our analysis should be read against all risks to which it may be relevant.

In this section, we have sought to update our explanations, reflecting our current outlook. Certain investors may also be familiar with the risk factors that are published in the Group debt or equity prospectuses or listing documents. These provide in part some differing descriptions from our PRUs.

Our latest documentation for debt investors and their related risk disclosures is available at: **glencore.com/investors/debt-investors.**

To provide additional context for the descriptions included in this section:

- 'risk' includes an uncertainty or hazard and together with 'material adverse effect on the business' should be understood as a negative change which can seriously affect the performance, future prospects or reputation of the Group. These include those risks which would materially threaten the business model, future performance, reputation, solvency or liquidity of the Group;
- where we hold minority interests in certain businesses, although these entities are not generally subsidiaries and would not usually be subject to the Group's operational control, these interests should be assumed to be subject to these risks. 'Business' refers to these and any business of the Group;
- where we refer to natural hazards, events of nature or similar phraseology we are referring to matters such as earthquakes, floods, severe weather and other natural phenomena;
- where we refer to 'mitigation' or 'management' we explains the steps we take to reduce or manage risks but we do not intend to suggest that we eliminate such risks. Our mitigation and management of risks encompasses a broad range of actions and also usually includes taking out insurance where it is customary and economic to do so;
- this section should be read as a whole; often commentary in one section is relevant to other risks and the occurrence of one risk may exacerbate the other risks we face;
- 'commodity/ies' will usually refer to those commodities which the Group produces or sells; and
- a reference to a note is a note to the 2024 financial statements.

Risk appetite

Following from our strategy and our key risk principles, our risk appetite can be defined as 'the nature and extent of risk the Group is willing to accept in relation to the pursuit of its objectives'. We look at risk appetite from the context of severity of the consequences expected should the risk materialise following an evaluation of any internal or external factors influencing the risk and the status of management actions to mitigate or control the risk.

If a risk exceeds our appetite, it can threaten the achievement of our objectives and may require a change to our strategy. If a risk is approaching the limit of the Group's appetite, management action may be required to ensure the risk remains within appetite levels.

For certain risks, such as those relating to safety, compliance or cyber security, our risk appetite for exceptions or deficiencies in our material controls is very low. Our internal assurance programmes seek to evaluate these material controls along with technical and specialised experts and the results of that assurance work will determine the risk appetite evaluation, along with the management response to any issues identified.

We classify our PRUs and set the corresponding risk appetite categorisations as follows:

Averse
Mitigation of risk and uncertainty to a low probability of occurrence is a paramount objective as the consequences of occurrence could be catastrophic for the Group.

Minimal
Mitigation to a minimal level of residual risk for risks that present less severe consequences ultimately resulting in an agreed operational tolerance level, such as VaR and liquidity minimum limits, or the thresholds set within the authority delegated to management.

Cautious
The risk is of a strategic and inherent nature of the business environment in which we operate. Exposure and tolerance to such risks (e.g. supply and demand of commodities) are a function of the strategy chosen, matters of which are reserved for the Board and/or shareholders.

We further assess the potential impact and likelihood of PRUs, which informs our analysis of these risks in comparison to the prior year.

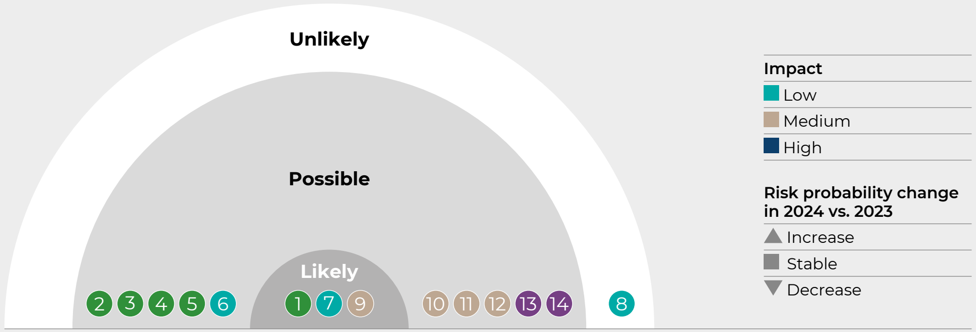
Impact
Impact represents the impact of the risks once all material controls and other mitigating factors have been applied. It is the residual impact the risk might have on the Group's operations and viability. Impact is measured as low, medium and high.

Likelihood
Likelihood, similar to impact, is the residual likelihood of a risk materialising after all material controls and other mitigating factors have been applied.

It is in direct correlation with the level of control that management has over a particular given risk. The more a risk is subject to a higher degree of external factors, the higher the likelihood will be. Likelihood is measured as unlikely, possible and likely.

Risk management *continued*

Summary map of PRUs



Principal Risks	Risk appetite	Impact	Likelihood	2024 vs. 2023
Strategic				
1 Supply, demand and prices of commodities	Cautious	High	Likely	Stable
2 Geopolitical, permits and licences to operate	Cautious	High	Possible	Increase
3 Operational delivery	Minimal	Medium	Possible	Stable
4 Low-carbon economy transition	Cautious	High	Possible	Stable
5 Major project delivery	Minimal	Medium	Possible	New
HSEC				
6 Health Safety and Environment	Averse	Medium	Possible	Stable
7 Social performance and human rights	Minimal	Medium	Likely	Stable
8 Catastrophic and natural disaster events	Averse	High	Unlikely	Stable
Finance and IT				
9 Currency exchange rates	Minimal	Low	Likely	Stable
10 Counterparty credit and performance	Minimal	Low	Possible	Stable
11 Liquidity	Minimal	High	Possible	Stable
12 Information technology	Minimal	Medium	Possible	Stable
Legal, Compliance and Human Resources				
13 Laws and regulations	Averse	High	Possible	Stable
14 Attracting, developing and retaining people with the necessary skills	Cautious	Medium	Possible	New
Emerging risks				
Material substitution				

2024 developments

Supply, demand and prices of commodities

Average prices for our key commodities' benchmarks, with the exception of copper, were mostly lower over 2024 compared to 2023. The progressive normalisation of energy markets over the course of 2024 resulted in declines in the average Newcastle and API4 thermal coal prices of 22% and 13%, respectively, compared to 2023, while key battery metals prices (cobalt and nickel) also declined due to market oversupply. Copper and zinc concentrate supply (relative to smelter capacity) has been tight, resulting in smelter treatment charges (TCs) reaching historic lows, even reaching negative points over the period. Short to medium term forecasts suggest TCs are to remain at relatively low levels, which has resulted in a series of strategic reviews and evaluations of the longer-term business prospects for a number of our custom smelters.

Mergers and acquisitions

The acquisition of Elk Valley Resources (EVR) was a meaningful development for the Group. The acquisition closed in July 2024 and we have taken significant steps to integrate EVR into the Group.

Following the close of the EVR transaction, and after extensive consultation with our shareholders, we announced that we would be retaining our coal and carbon steel materials business, as the Board concluded that this provided the optimal pathway for demonstrable and realisable value creation for Glencore shareholders.

Operational delivery

Our production results across commodities were in line with our market guidance for 2024 reflecting stronger second half performances across our key commodities. Copper production demonstrated progressive recovery at Antapaccay following a geotechnical event in H1, higher feed grades and earlier unplanned mill downtime at KCC. Cobalt production was lower than 2023 reflecting lower grades at Mutanda. Zinc production was broadly in line with 2023 reflecting lower zinc tonnes from Antamina offset by the ramp up of Zhairem. Nickel production was impacted by moving Koniambo to care and maintenance, offset by improved performance at INO and higher production from Murrin Murrin. Thermal coal production reflected the progressive impact of scheduled mine closures, longwall moves in Australia, export rail constraints in South Africa and a combination of permit delays, community blockages and unusually heavy rain at Cerrejón.

Low-carbon economy transition

At our 2024 Annual General Meeting (AGM), over 90% of voting shareholders supported Glencore's 2024-2026 Climate Action Transition Plan (2024-2026 CATP). We are currently assessing how best to integrate the EVR assets into our climate transition strategy, recognising that the transition away from steelmaking coal for steel production will be slower than thermal coal.

Safety

Regrettably, there were four[Δ] work-related fatalities at our industrial operations in 2024, in South Africa, Peru, Kazakhstan and Australia. While other safety indicators have shown decreasing or stable trends, our objective is to prevent work-related fatalities wherever we operate and significant further initiatives have been launched to address this ongoing critical challenge.

Risk management *continued*

Legal and compliance
Investigations by the Dutch and Swiss authorities were resolved in August 2024 with a summary penalty order and an abandonment order. This followed resolutions with the US, UK and Brazilian authorities in 2022. The Group also continues to face class action claims in the UK related to the announced resolutions. In September 2024, Jersey authorities notified the Group that it is under investigation which appears to be related to the same underlying facts as the concluded resolutions with the other authorities. The Group may also face additional investigations by authorities in other jurisdictions.

Monitors
The independent compliance monitors mandated under our resolutions with the DOJ were appointed in June 2023 and issued their first report in March 2024. The Group has made significant progress in implementing the recommendations in the first report. The monitors recently completed their second review period during which they continued to undertake various activities including extensive document review and multiple site visits, which involve interviews, transaction testing, and other analysis. We will continue to work to address their recommendations and further enhance our Ethics and Compliance Programme.

Geopolitical developments
Geopolitical developments continue to evolve, contributing to market uncertainty. Recent and anticipated policy changes under the new US administration, particularly related to tariffs, bear careful monitoring in the coming months. In response to newly announced tariffs, other governments may institute further retaliatory tariffs and seek to exert more control over their natural resources. This may, in turn, disrupt or curtail our operations, business activities or ability to pursue new opportunities or cause us to incur additional costs, particularly in relation to sourcing and logistics. At the same time, governments continue to tighten sanctions, particularly concerning individuals and companies associated with conflicts around the world. This requires ongoing vigilance.

Major projects
The emerging pro-business environment in Argentina have created a more constructive environment for Glencore to grow its copper business via development of the MARA and El Pachon projects. Given the portfolio of these and other large projects, the Group has established a dedicated global Capital Projects Group department under a new Head of Capital Projects reporting to the Head of Industrial Assets. Given the quantum of planned capital expenditure, as well as various closure projects across the world, *Major project delivery* (previously included under *Operational delivery*) has been added as a standalone principal risk.

Attracting, developing and retaining people
The Group faces ongoing challenges to ensure that the right capabilities are available to manage risks and deliver on performance targets. This is becoming a pervasive risk facing the sector, with extractive industries often not seen as a career pathway of choice. The remote footprint of some of our assets also presents additional hurdles, leading to this being called out as a new principal risk.

Longer-term viability
In accordance with the requirements of the 2018 UK Corporate Governance Code, the Board has assessed the Company's prospects in the long term, incorporating but not limited to the 2050 date associated with the Company's net zero ambition.

The assessment was informed by the potential medium- and long-term impact of climate change on the outlook for our commodity businesses, under a range of possible scenarios, as set out on page 26. Such impacts are uncertain, being particularly dependent on long-term changes in the energy mix related to power generation and transportation, as well as consumption efficiencies, behavioural change and coordinated implementation of government policy and regulation frameworks. This analysis, however, indicates stable or improving opportunities across the portfolio in the SPS scenario. In the APS and NZE scenarios, we project significant thermal coal demand decline over the longer term, mitigated, however, (from a financial perspective) by materially stronger demand for battery and new energy infrastructure required metals.

The Board has also assessed the company's ability to meet its liabilities as they fall due over the four-year period from 1 January 2025. This period is consistent with the company's established annual business planning and forecasting processes and cycle which is subject to review and approval each year by the Board. The Directors believe this is an appropriate review period having regard to the Group's business model, strategy, PRUs, sources of funding and liquidity.

The four-year plan considers Glencore's adjusted EBITDA, capital expenditure and funds from operations (FFO), and assumes refinancing of credit facilities and bonds as needed. The resulting net debt was tested against a c.$10 billion net debt cap, excluding marketing lease liabilities, and the key financial ratio of net debt to adjusted EBITDA. Stress tests to simulate the potential impacts of exposure to the relevant PRUs were performed. While all the PRUs have the capability to impact business and financial performance, the most scenario-relevant to the assessment of viability are Risk 1 (Supply, demand and prices of commodities) and Risk 3 (Currency exchange rates). For the 2025-28 plan the stress-test scenarios were:

- Scenario 1: Reversion – Commodity prices and inflation reverting to historical norms over the outlook period (Highly likely); and
- Scenario 2: Recession – Commodity prices set at the low end of analysts' consensus ranges as of December 2024 for the entirety of the outlook period (Improbable).

In either downside scenario, the company's capital management framework and distribution policy, post servicing our base cash distribution, prioritise the balance sheet, such being managed around the stated net debt cap, excluding marketing lease liabilities. Additional mitigating actions include the ability to defer or cancel capital expenditure, to manage working capital and to reduce distributions to shareholders. After taking account of any such required mitigating actions, in the downsides described, the company could sustainably maintain a net debt balance within its c.$10 billion cap, excluding marketing lease liabilities.

Based on the results of the related analysis, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the four-year period of this assessment.

1. Supply, demand and prices of commodities

2024 vs. 2023	Risk appetite	Link to strategy
↔	Cautious	

We are subject to the inherent risk of sustained low prices for our main commodities, particularly affecting our industrial business. The revenue and earnings of substantial parts of our industrial asset activities and, to a lesser extent, our marketing activities, are dependent upon prevailing commodity prices. The prices of the commodities we produce are dependent on the expected volumes of supply or demand for commodities which can vary for many reasons out of our control.

New or improved energy production possibilities and/or technologies are likely to reduce the demand for some commodities. Governmental net zero emissions targets will require demand for unabated thermal coal and other hydrocarbon fuel sources to significantly reduce over time.

The dependence of the Group (especially our industrial business) on commodity prices, supply and demand of commodities, makes this the Group's foremost risk.

Strategic priorities
Responsible and ethical business practices
Effective capital management
Strong operational and commercial performance

Potential impact on the Group

- Significant falls in the prices of certain commodities (e.g., copper and coal) can have a severe drag on our financial performance, impede shareholder returns and could lead to concerns by external stakeholders as to the strength of the Group's balance sheet.
- A global surplus or shortage in one or more of the commodities we produce could have a major impact on their price, and therefore on our financial performance.

Mitigating factors or controls

Inherent business model mitigations:

- We maintain a diverse portfolio of commodities, geographies, assets and contracts.
- We seek to prepare for anticipated shifts in commodity demand, for example by prioritising investment in parts of the business that will potentially grow with increases in renewable energy generation and EVs and battery production, and by closely monitoring fossil fuel (particularly thermal coal) demands. We are also able to reduce the production of commodities within our portfolio in response to changing market conditions.

Established and implemented mitigating controls:

- Our financial leverage of under 1x in the ordinary course of business should support our ability to obtain financing in a downside scenario (see *Liquidity* on page 98).
- We continue to maintain focus on cost discipline and achieving greater operational efficiency to increase our resilience to lower prices.
- We actively manage commodity price risk in our marketing segment, including via daily analysis of Group VaR.

2. Geopolitical, permits and licences to operate

2024 vs. 2023	Risk appetite	Link to strategy
↑	Cautious	

The current geopolitical environment is dynamic, and disputes, tariffs or changes in policy could impact trade flows, market access and our ability to conduct business. The potential for conflict is increasing, which in turn could impact our entire business from production and marketing to sourcing and logistics.

We control and operate industrial assets and projects in many countries across the globe, some of which are categorised as developing, complex or having unstable political or social environments. As a result, we are exposed to a wide range of political, economic, regulatory, social and tax environments. Regulatory regimes applicable to resource companies can often be subject to adverse and unexpected changes. Our operations may also be affected by political and economic instability, including terrorism, civil disorder, violent crime, war and social unrest.

The terms attaching to any permit or licence to operate may be onerous and obtaining these and other approvals can be particularly difficult. Furthermore, in certain countries, title to land and rights and permits in respect of resources are not always clear or may be challenged.

Increased scrutiny by governments and tax authorities of multinational companies has elevated potential tax exposures for the Group. Additionally, governments have sought additional sources of revenue by increasing rates of taxation, royalties or resource rent taxes and aggressively enforcing their tax codes. The tax codes of some countries can be uncertain in their application and the access to impartial administrative and judicial redress may be limited.

Potential impact on the Group

- Adverse actions by governments and others can result in operational/project delays or loss of permits or licences to operate, which could have a material adverse effect on the Group thereby affecting the Group's long-term viability and success.
- Failure to obtain or renew a necessary permit or the occurrence of other disputes could mean that we would be unable to proceed with the development or continued operation of an industrial asset and/or impede our ability to develop new assets or projects.
- Laws and regulations in the countries in which we do business may change or be implemented in a manner that may have a materially adverse effect on the Group.

Mitigating factors or controls

- The Group's industrial assets are diversified across various countries which reduces the Group's exposure to any particular country.
- The Group has active engagement strategies with the governments, regulators and other stakeholders within the countries in which it operates or intends to operate. Through strong relationships with stakeholders, we endeavour to secure and maintain our licences to operate.
- We endeavour to operate our businesses according to high legal, ethical, social and human rights standards, and to ensure that our presence in host countries leaves a positive lasting legacy.
- We operate under a Tax Policy, annually reviewed by the Board, which sets out the Group's commitment to comply with all applicable tax laws, rules and regulations, without exception, and to be characterised as a 'good corporate fiscal citizen'.

Risk management *continued*

3. Operational delivery

2024 vs. 2023	Risk appetite	Link to strategy
↔	Minimal	

Our industrial activities are subject to significant risks throughout each operation's lifecycle, from project planning, through initiation, development, operation and/or expansion and ultimate closure.

Delivery of operational performance at existing industrial assets can be impacted by a range of factors, including the level of geological risk relating to factors such as structure and grade as well as geotechnical and hydrological risks, natural hazards, processing problems, technical malfunctions, supply chain risk of unavailability of materials and equipment, unreliability and/or constraints of infrastructure, disasters, force majeure factors, cost overruns, or delays in permitting or other regulatory matters.

Some of the Group's interests in industrial assets are not controlling stakes. Although the Group has various arrangements and forums through which it seeks to influence these industrial assets and protect its position, these may not be effective and these entities or other shareholders in these entities may act contrary to the Group's interests or be unable or unwilling to fulfil their obligations.

Potential impact on the Group

- The development and operation of assets may lead to future upward revisions in estimated costs (capital and operating expenditure), including in relation to delays or other operational difficulties or damage to properties or facilities, which may cause production to be reduced or to cease, and may require greater infrastructure spending.
- Severe operating difficulties may result in impairments.

Mitigating factors or controls

- Operating performance, risks and hazards are managed through our quarterly reporting processes and ongoing assessments, and reporting and communication of the risks that affect our operations along with updates to the risk register.
- We publish our assessment of reserves and resources based on available drilling and other data sources annually. Conversion of resources to reserves and, eventually, reserves to production is an ongoing process that takes into account technical and operational factors, and the economics of the particular commodities concerned.
- We manage a disciplined annual process for life of asset planning whereby asset resource development and production plans are reviewed by the Group, including understanding the range of potential risks to operational delivery.
- We report our production results quarterly and provide guidance on future production periods which considers exposure to operational delivery risk.

4. Low-carbon economy transition

2024 vs. 2023	Risk appetite	Link to strategy
↔	Cautious	

The global transition to a low-carbon economy may affect our business through regulations to reduce emissions, carbon pricing mechanisms, reduced access to capital, permitting risks and fluctuating energy costs, as well as changing demand for the commodities we produce and market. A number of governments have already introduced or are contemplating the introduction of regulatory responses to support the achievement of the goals of the Paris Agreement and the transition to a low-carbon economy. This includes countries where we have assets such as Australia, Canada, Chile and South Africa, as well as our customer markets such as China, South Korea, Japan and Europe.

A transition to a low-carbon economy and its associated public policy and regulatory developments is likely to reduce demand for fossil fuels like thermal coal over time and could lead to certain of our coal assets no longer being economically viable.

Potential impact on the Group

- A transition to a low-carbon economy and its associated public policy and regulatory developments may lead to:
  - the imposition of new regulations, and climate change-related policies on fossil fuels by actual or potential investors, customers and banks, that may impact Glencore's reputation, access to capital and financial performance;
  - import duties/carbon taxes in our customers' markets which may affect our access to those markets as well as our commodities' delivery costs;
  - increased costs for energy and for other resources, which may impact associated costs and the economic competitiveness of our industrial assets;
  - the imposition of levies or taxes, whether or not related to greenhouse gas emissions;
  - impacts on the development or maintenance of our industrial assets due to restrictions in operating permits, licences or similar authorisations; and/or
  - impairment of certain assets that are no longer economically viable.
- Variations in commodity use from emerging technologies, moves towards renewable energy generation and policy changes may affect demand for our products, both positively and negatively.
- Implementing low-carbon processes and technologies at our industrial assets may increase our operating costs, while also potentially growing/changing our customer base.
- ESG concerns may increase pressure to divest our coal assets, limit/stop our access to financing, restrict production from, development of, or close, coal assets and impact our ability to optimise our portfolio. Some parties may choose not to invest in or transact with us, due to our fossil fuel operations.
- Socioeconomic concerns associated with the transition to a low-carbon economy may increase expectations of our closure plans and increase closure liabilities.

- We may be the subject of climate-related litigation or regulatory scrutiny. There has been a significant increase in litigation (including class actions), in which climate change and its impacts are a contributing or key consideration, including administrative law cases, tortious cases and claims brought by investors. In particular, a number of lawsuits have been brought against companies with fossil fuel operations in various jurisdictions seeking damages related to climate change. A number of regulators have also increased their scrutiny of companies' actions in respect of climate change, including through investigating claims related to inaccurate or misleading disclosure and/or greenwashing.

Mitigating factors or controls

- Climate considerations are taken into account as part of our strategic decision making. Our internal Climate Change Taskforce (CCT), led by our CEO and overseen by the Board of Directors, is responsible for delivering our climate strategy and addressing progress against our climate commitments.
- As outlined in our 2024-2026 CATP, we intend to deliver our climate strategy through four strategic pillars: managing our operational footprint; responsibly reducing our Scope 3 industrial emissions; advancing tomorrow through our transition-enabling commodities portfolio; and driving new business models.
- To understand better and plan for the effects of climate change on our business, we have a framework for identifying, understanding, quantifying, where possible, and, ultimately, seeking to manage climate-related challenges and opportunities facing our portfolio, which covers government policy, lobbying activities, carbon pricing, energy costs, physical impacts, access to capital, risks relating to permits, product demand and litigation risks.

5. Major project delivery

2024 vs. 2023	Risk appetite	Link to strategy
New	Minimal	

The Group is exposed to the impact of unsatisfactory major project delivery. Failure to deliver on major projects or the lack of an adequate project pipeline may result in an inability to provide expected production output, which can in turn have an adverse impact on our capital and operational results. This could also impact our ability to deliver production growth and/or meet guidance.

A number of our industrial assets are reaching closure within the next 2 – 5 years which will require the implementation of significant closure projects and is another source of major project delivery risk. The variable maturity of closure planning at our assets can exacerbate this risk.

This risk can manifest when project completion timelines extend beyond key milestones documented at the time of project approval or in circumstances when additional funding in excess of approved budgets and contingencies may be required.

Major project milestones may be missed, either in terms of timing or budget considerations, because of numerous factors, including delays in receiving permits and licenses, inadequate process discipline, lack of appropriate skills or labour shortages, and inadequate project governance.

Potential impact on the Group

- Overall risk to the credibility of the company in delivering on its stated objectives or guidance provided to investors and analysts.
- Demand on capital funding in excess of approved budgets and forecasts submitted.
- Impact on project pipeline execution due to unplanned consumption of available funding.
- Shortfall on projected volumes relative to production guidance.
- Materially underdelivering on initial project return expectations, which may also result in impairments.

Mitigating factors or controls

- A dedicated team under the new Head of Capital Projects, reporting to the Head of Industrial Assets, has been set up to manage the global portfolio and focus on capital efficiency and performance expectations.
- The Group Project Management Standard defines the corporate requirements for major project development, including governance requirements for concept, pre-feasibility and feasibility studies and execution.
- The gating of projects between defined phases of project study is subject to internal investment committee approval and from the pre-feasibility phase onwards, an independent project review is mandatory.
- Each department has developed project management systems and processes to meet the requirements of the Group Project Management Standard.

- The Group Closure Planning Standard requires that all industrial assets have a credible closure plan that could be initiated at any time, whether on planned life of asset closure, or an earlier unforeseen or temporary closure.
- Annual closure planning reviews are conducted to ensure alignment with Group requirements.
- A comprehensive risk register is maintained for each major project and material risks are integrated into the enterprise risk management process.

6. Health, safety and environment

2024 vs. 2023	Risk appetite	Link to strategy
↔	Averse	

Industrial operations are inherently hazardous. The success of our business is dependent on a safe and healthy workforce and work environment. Identifying and managing risks to the safety and health of our people is essential for maintaining our commitment to responsible production.

Our operations around the world can have direct and indirect impacts on the environment and host communities. Our failure to manage and mitigate these may affect maintenance of our operating licences as well as affect future projects, acquisitions and our reputation.

We operate in some countries with complex and challenging political and/or social climates, which increases our risk of non-compliance with laws and regulations, as well as with our HSEC&HR policies, standards and procedures.

Potential impact on the Group

- Compliance with environmental, safety and health regulations, and our relevant HSEC&HR policies, standards and procedures may result in increased costs.
- Non-compliance or incidents causing serious injury or fatality or other damage at, or to, our facilities or surrounding areas, may result in significant losses. Related consequences could include (1) interruptions in production, (2) litigation and imposition of penalties and sanctions, (3) having licences and permits withdrawn or suspended and (4) undertaking or funding remedial actions or other reparations, including payment of compensation, to negatively impacted communities.

Mitigating factors or controls

- We establish HSEC&HR policies, standards and procedures designed to (1) protect our people, communities and the environment, and (2) ensure we comply with laws and external regulations. These also set out our goals, objectives, expectations and requirements that should be applied consistently across the Group and provide clear guidance on the minimum requirements we expect all our industrial assets to meet, as well as those for our workforce and business partners.
- SafeWork encompasses Glencore's approach to creating a workplace without fatalities and serious injuries. SafeWork provides a set of minimum expectations for the management of fatal and catastrophic hazards, the consistent application of which can drive a safe operating discipline and a positive safety culture.
- We work with local authorities, local community representatives and other partners, such as NGOs, to help overcome major public health issues in the regions where we work, such as HIV/AIDS, malaria and tuberculosis.

7. Social performance and human rights

2024 vs. 2023	Risk appetite	Link to strategy
↔	Minimal	

Respecting human rights and building strong relationships with the communities in which we operate are fundamental to the current and future viability of our business.

We have a geographically diverse business, operating in both developed and developing countries in an array of different contexts. A perception that we are not respecting human rights or generating local sustainable benefits could have a negative impact on our ability to operate effectively, our reputation with stakeholders, our ability to secure access to new resources, our capacity to attract and retain the best talent and ultimately, our financial performance.

Areas that may be affected negatively include the health and safety of our workforce and surrounding communities, particularly vulnerable peoples, environmental damage and interactions with individuals and groups who live and work in or near our local communities. Poor performance can contribute to social instability and the perceived and real value of our assets.

Some of our mining operations are in remote areas where they are a major employer in the region. This presents particular social challenges when the mine's resources are depleted to an extent that it is no longer economic to operate and must be closed.

Potential impact on the Group

The consequences of adverse community reactions or allegations of human rights or social incidents could also have a material adverse impact on the cost, profitability, ability to finance or even the viability of an operation and the safety and security of our workforce and assets. In addition, global connectivity means that local issues can quickly escalate to a regional, national and global level, potentially resulting in reputational damage and social instability.

Mitigating factors and controls

- We respect communities' perspectives by seeking to actively consult with them on our relevant decision making and engaging openly and honestly to build lasting relationships.
- We endeavour to focus our social investments on initiatives and programmes to deliver long-term benefits fostering socioeconomic resilience.
- We support the advancement of the interests of both our host communities and our industrial assets.
- We tailor our community approach to be relevant and appropriate to the local context, including regarding tangible and intangible cultural heritage.
- We seek to apply the UN Voluntary Principles on Security and Human Rights (Voluntary Principles) prioritising regions where there is a high risk to human rights from the deployment of public and private security forces.
- We respect the rights, interests, perspectives and aspirations of Indigenous Peoples and, through good faith negotiation, seek to adhere to the process and principles of free, prior and informed consent (FPIC).
- We strive to uphold and respect the human rights of our workforce, local communities and others who may be affected by our activities, in line with the United Nations Guiding Principles on Business and Human Rights (UNGP).
- We require our industrial assets to implement locally appropriate complaints and grievance processes to receive feedback and comments on our performance, and take actions when necessary to address the issues raised.
- We believe that artisanal and small-scale mining (ASM) can play an important and sustainable role in many economies when carried out responsibly and transparently, including the DRC. We work with the Fair Cobalt Alliance, a multi-stakeholder action platform that works towards eliminating child and forced labour, improving work practices in ASM operations, and supporting alternative livelihoods to help increase incomes and reduce poverty.
- We implement policies, standards and procedures designed to identify, prevent and mitigate human rights risks and impacts across our business, and are committed to understanding and documenting the social risks and opportunities in the communities in which we operate.

8. Catastrophic and natural disaster events

2024 vs. 2023	Risk appetite	Link to strategy
	Averse	

Catastrophic or natural disaster events at the Group's industrial assets can have disastrous impacts on workers, communities and the environment, while also impacting production and resulting in substantial financial costs and harm to our reputation. These events may arise due to natural causes (flood, earthquake, drought) or due to infrastructure (including underground mines or open-pits or tailings or water storage facility failure) or equipment failure (such as shafts and winders).

Climate change may increase physical risks to our assets and related infrastructure, largely driven by extreme weather events and water-related risks such as flooding or water scarcity.

Potential impact on the Group

- Loss of life, significant environmental damage, or social impact on livelihoods arising from such an event may have material adverse impacts on our business and reputation.
- The suspension of production arising from one of these events for an extended period could have a significant impact on our business.
- Inclusion of new design standards for improved management of potentially catastrophic events during the development of new projects and as required for the remediation of risks at industrial assets may lead to future upward revisions in estimated costs, delays or other impacts. This may cause production to be reduced or to cease and/or require greater infrastructure spending. Also, the realisation of these risks could require significant additional capital and operating expenditures.

Mitigating factors or controls

- Our HSEC&HR policies, standards and fatal hazard protocols (FHPs) have been developed to assist in the management of the fatal and catastrophic hazards that present a material risk to our operations. They are designed to assist in the prevention of incidents and protect our people, the environment, communities, assets, and other stakeholders. They are taken into account in the planning, design, construction, operation, maintenance and monitoring of our surface and underground mines, water and tailings storage facilities, leach pads, smelters, refineries and other infrastructure and equipment.
- We have implemented a comprehensive tailings management framework, with clear governance, accountabilities, systems, training, auditing and reporting on performance.
- A comprehensive process has been established for the independent assurance of HSEC&HR catastrophic hazards across our operating sites.

9. Currency exchange (FX) rates

2024 vs. 2023	Risk appetite	Link to strategy
↔	Minimal	

FX changes affect us as a global company usually selling in US dollars but having costs in a large variety of other currencies. The main currency exchange rate exposure is through our industrial assets, as a large proportion of the costs incurred by these operations, which are spread across many different countries, is denominated in the currency of the country in which each industrial asset is located, the currencies of which fluctuate against the US dollar. The vast majority of our sales transactions are denominated in US dollars.

Producer country currencies tend to strengthen in correlation with relevant higher commodity prices. Similarly, decreases in commodity prices are generally associated with increases in the US dollar relative to local producer currencies.

Potential impact on the Group

- A depreciation in the value of the US dollar against one or more of these currencies will result in an increase in the cost base of the relevant operations in US dollar terms.

Mitigating factors or controls

- The inverse FX correlation (against USD commodity prices) usually provides a partial natural FX hedge for the industrial business.
- We continuously monitor and report on financial impacts resulting from foreign currency movements to determine appropriate actions and mitigating responses.
- In respect of commodity purchase and sale transactions denominated in currencies other than US dollars, the Group's policy is usually to hedge the specific future commitment through a forward exchange contract. From time to time, the Group may hedge a portion of its operating currency exposures and requirements in an attempt to limit any adverse effect of exchange rate fluctuations.

10. Counterparty credit and performance

2024 vs. 2023	Risk appetite	Link to strategy
↔	Minimal	

We are subject to the risk of non-performance by our suppliers, customers and hedging counterparties, in particular in respect of our marketing activities.

Financial assets consisting principally of receivables and advances, derivative instruments and long-term advances and loans can expose us to concentrations of credit risk.

Potential impact on the Group

- Non-performance by suppliers, customers and hedging counterparties may occur and cause losses in a range of situations, such as:
  - a significant increase in commodity prices resulting in suppliers being unwilling to honour their contractual commitments to sell commodities at pre-agreed prices;
  - a significant reduction in commodity prices resulting in customers being unwilling or unable to honour their contractual commitments to purchase commodities at pre-agreed prices; and
  - suppliers to whom we have made prepayments not honouring their contractual obligations due to financial distress or other reasons.

Mitigating factors or controls

- We seek to diversify our counterparties and try to ensure adherence to open account limits.
- We make extensive use of credit enhancement tools, seeking letters of credit, insurance cover, discounting and other means of reducing credit risk with counterparts. Where possible, earmarked credit exposures are covered through credit mitigation products.
- We monitor the credit quality of our physical and hedge counterparties and seek to reduce the risk of customer default or non-performance by requiring credit support from creditworthy financial institutions.
- Open account risk is governed by Group-wide procedures with established thresholds for referral of credit decisions by department heads to the CEO, CFO and CRO (and the Board, for highest level approvals), relating to potential credit risk exposures at varying levels, depending on counterparty credit quality.

11. Liquidity

2024 vs. 2023	Risk appetite	Link to strategy
↔	Minimal	

Liquidity risk is the risk that we are unable to meet our payment obligations when due, or are unable, on an ongoing basis, to borrow funds in the market at an acceptable cost to fund our commitments.

While we may adjust our minimum internal liquidity threshold from time to time in response to changes in market conditions this minimum internal liquidity target may be breached due to circumstances we are unable to control, such as general market disruptions, sharp movements in commodity prices or an operational problem that affects our suppliers, customers or our own business.

Potential impact on the Group

- Our failure to access funds (liquidity) would severely limit our ability to engage in our business activities and may mean that we would not have sufficient funds available for our marketing and industrial activities, both of which employ substantial amounts of capital. If we do not have funds available for these activities, then they would decrease.
- Debt costs may rise owing to ratings agency downgrades and the possibility of more restricted access to funding.

Mitigating factors or controls

- Diversification of our funding sources (bank borrowings, bonds and trade finance, further diversified by currency, interest rate and maturity).
- Considering the Group's extensive funding activities, maintaining investment grade (specifically minimum strong Baa/BBB ratings from Moody's and Standard & Poor's) credit rating status is a financial priority. To support this, Glencore targets a maximum 2x net debt/adjusted EBITDA ratio through the cycle. However, while maintaining our ordinary course c.$10 billion net debt cap, excluding marketing lease liabilities, the leverage ratio would more likely be under 1x. Deleveraging below the c.$10 billion cap, excluding marketing lease liabilities, is periodically returned to shareholders.
- Our financial policies seek to ensure access to funds, when desired, even in periods of market volatility.
- Our bond maturity profile is managed such that maturity repayments do not exceed approximately $3 billion in any given year.
- It should be noted that the credit ratings agencies make certain adjustments, including a discount to the value of our readily marketable inventories, such that their calculated net debt is higher than ours. The Group's credit ratings are currently A3 from Moody's and BBB+ from Standard & Poor's.

12. Information technology

2024 vs. 2023	Risk appetite	Link to strategy
↔	Minimal	

The ever-increasing reliance on digital technologies has brought with it a corresponding rise in risks relating to impacts from an IT disruption, including those that may be caused by a cyber attack, ranging from the proliferation of ransomware to nation-state activity and the monetisation of cybercrime.

Our industrial production, operations, environmental management, health and safety management, communications, transaction processing, risk management and compliance processes often depend on the effective application and adoption of information technology. The increasing convergence of information technology and operational technology networks creates new risks and may demand additional management time and focus.

Our key business processes are regularly updated and adapted to suit our business needs. However, new technology may not be as reliable as we anticipate, and we may not be able to maintain the use of our existing technology effectively.

Our long supply chains also involve numerous third parties that are exposed to the same or similar risks. Any failure or outage of information or operational technology systems could cause a significant disruption to our business.

Furthermore, the emergence of machine learning and artificial intelligence has led to an exponential increase in the volume and sophistication of fraud attempts. The use of 'Deepfake' technology, powered by machine learning, makes it easier to manipulate audio and video content, increasing the potential for phishing or fraud attacks that impersonate senior executives. Given the accelerating pace at which AI is being used to create malware and deepfakes, there is a significant and growing threat to the security and authenticity of digital content, necessitating robust and vigilant cybersecurity measures.

Potential impact on the Group

- The potential consequences of a cybersecurity breach, incident, or failure of Glencore's IT systems are significant and wide-ranging. Such an event could lead to disruption of our businesses, jeopardise the safety of our employees, result in the exposure of confidential information, damage our reputation, and create substantial financial and legal risks for the Group.
- The ramifications could extend beyond just our own operations and impact our customers, suppliers, and other business partners as well.

Mitigating factors or controls

- We take a proactive and multi-faceted approach to maintaining our IT systems and mitigating cybersecurity exposure and other IT risks.
- Our IT security standards include layered cyber security, privileged access management, and multiple layers of email security and malware protection, as well as the use of two-factor authentication and VPN technology for securing corporate applications and communications.

- We keep our system software up-to-date and use global platforms to proactively manage patch compliance, while routine third-party penetration tests and dedicated programmes for enhancing the monitoring and security of our Operational Technology (OT) platforms seek to ensure the effectiveness of our security measures.
- Our IT Security Council sets the global cyber security strategy, conducts regular risk assessments, and designs solutions to protect against emerging threats, and our Cyber Defence Centre is responsible for day-to-day monitoring and remediation of cyber vulnerabilities across the Group.
- We have an incident response team in place to coordinate a swift and effective response in the event of a major IT outage or cyber incident.
- We prioritise employee education to raise awareness of cyber security threats and encourage best practices in information security.

13. Laws and regulations

2024 vs. 2023	Risk appetite	Link to strategy
↔	Averse	

We are exposed to extensive laws and regulations, including those relating to bribery and corruption, sanctions, taxation, anti-trust, financial and commodity markets regulation and rules, non-financial reporting requirements, data protection, environmental protection, use of hazardous substances, product safety and dangerous goods regulations, post-closure reclamation, employment of labour and occupational health and safety standards. In addition, there are a number of high expectations regarding the need to act ethically in our business and we are exposed to the risk that unethical business practices may, by themselves, harm our ability to engage with certain business partners, and/or give rise to questions as to whether we are committed to complying with applicable laws.

As a diversified sourcing, marketing and distribution company conducting complex transactions globally, we are particularly exposed to the risks of fraud, corruption, sanctions violations and other unlawful activities both internally and externally. Additionally, certain of our existing industrial and marketing activities are in countries that are categorised as developing or have challenging political or social climates or where the legal system is uncertain, and/or where corruption is generally understood to exist, which creates risks in relation to our compliance with laws and external requirements. The legal system and dispute resolution mechanisms in some countries in which we operate may be uncertain, meaning that we may be unable to enforce our understanding of our rights and obligations under these laws.

Potential impact on the Group

- Any changes to these laws or regulations or their more stringent enforcement or restrictive interpretation could cause additional significant expenditure to be incurred and/or cause suspensions of operations and delays in the development of industrial assets or projects.
- The costs associated with compliance with these laws and regulations, including the costs of regulatory permits, are substantial and increasing.
- The impact of any monetary fines, penalties, redress or other restitution requirements, and the associated reputational damage arising from proceedings that are resolved adversely to the Group, could be material.
- Any successful claims brought against the Group could result in material damages being awarded against the Group, the cessation of operations, compensation and remedial and/or preventative orders.
- In addition, the cost of cooperating with investigations and/or defending proceedings can be substantial.

Mitigating factors or controls

- We seek to ensure compliance through our commitment to complying with applicable laws and regulations. We monitor legislative developments and engage with governments and regulators on these topics. Where our standards go beyond the minimum requirements outlined in applicable laws or regulations, we apply the stricter standards.
- We have implemented a number of programmes designed to ensure compliance with applicable laws and regulations, including our Group Ethics and Compliance Programme that includes a range of policies, standards, procedures, guidelines, training and awareness, monitoring and investigations.
- We have invested significant resources towards developing the Group Ethics and Compliance Programme, including through increasing the number of dedicated compliance professionals, enhancing our compliance controls, increasing our training and awareness activities, and strengthening the Group's Raising Concerns Programme and investigations processes.
- We engage reputable external legal firms and consultants as necessary to support these efforts.
- We have engaged two independent compliance monitors pursuant to our resolutions with the DOJ, who are conducting a comprehensive review of our culture and Group Ethics and Compliance Programme and have made relevant recommendations, which the Group is implementing.

14. Attracting, developing and retaining people with the necessary skills

2024 vs. 2023	Risk appetite	Link to strategy
New	Cautious	

Our ability to achieve our business strategy depends on attracting, developing and retaining a wide range of skilled and experienced people. Tight labour markets and entry into new countries are leading to heightened competition for diverse talent and critical skills all through the mining and resources value chain, from resource definition through marketing.

Our global footprint and ownership of assets and projects in more remote areas provides a further challenge in ensuring the right technical expertise is available at the right places to manage a range of operational risks.

We are focused on developing a culture of trust, where all our people feel respected, safe and empowered. If we fail to maintain a culture that aligns to our strategy, this could harm our reputation and have a material adverse effect on our earnings, cash flows and financial condition.

Potential impact on the Group

- Inability to attract, develop and retain people with necessary skills could negatively impact delivery of our strategy.
- Business interruption or underperformance may arise from a lack of access to the right capabilities.

Mitigating factors or controls

- We conduct annual and quarterly business planning activities that identify trends in turnover and retention, which enables corrective action to be taken when needed.
- Our Human Resources policies and standards are designed to set clear expectations for our business, and we maintain an assurance programme that measures implementation of these standard requirements.
- We have local trainee (apprenticeship) and graduate internship programmes and other future skill development partnerships.
- We conduct a biennial people survey, as part of our engagement strategy and retention efforts.
- We provide respect at work training to mitigate sexual harassment, bullying and discrimination in our workplace.
- We undertake succession planning for critical roles.
- We provide leadership training and development programmes.