GLENCORE

UNITED NATIONS
GLOBAL COMPACT
Communication on Progress in 2018

UN Global Compact
Communication on Progress 2018

Contents

CEO statement of support

A statement of support for the UN Global Compact and its principles

As Chief Executive Officer of the Glencore Group, I am proud to state our continuing support for the United Nations Global Compact's (UNGC) principles on human rights, labour, the environment and anti-corruption.

Responsibility is one of Glencore's five values; we take our responsibilities to our people, to society and to the environment very seriously. As one of the largest diversified and vertically-integrated producers, processors and marketers of commodities in the world, our commitment to operating transparently and responsibly is extremely important.

Our approach to sustainability consists of three tiers: our five Values, our Code of Conduct and our Group HSEC policies, with additional policies specific to individual operations. These align with the UNGC and its principles. Our Code of Conduct and Group HSEC policies apply to our workforce, both our direct employees and our contractors, across all of our operations.

Our Group sustainability team annual reviews our Group sustainability strategy, working with our individual assets and commodity departments' sustainability teams. They ensure that it fully aligns with our business requirements and the expectations of our external stakeholders.

Our Group sustainability strategy considers our aims against four core pillars: health; safety; environment; and community and human rights. The strategy clearly defines imperatives, objectives, priority areas and targets. Our commodity departments and their assets align their annual HSEC plans to this strategy. We believe it is a robust basis for ensuring we maintain an effective and appropriate approach to sustainability.

This Communication on Progress for 2018 demonstrates our continuing progress on integrating the UNGC and its principles into everything we do. It references our *Annual and Sustainability Reports 2018*, *Our Approach to Sustainability*, as well as a number of other publications, including *Climate change considerations for our business* and our *Modern Slavery* Statement, which reports on our management of the risks related to modern slavery in our supply chain. All of these publications are available at www.glencore.com, where further information on our approach to sustainability is also available.

Ivan Glasenberg
Chief Executive Officer

GLENCORE

The Ten Principles of the UN Global Compact

The UN Global Compact asks companies to operate in a manner that meets fundamental responsibilities for human rights, labour, environment and anti-corruption. Glencore is committed to making a positive contribution to society while creating lasting benefits for stakeholders in a manner that is responsible, transparent and respectful of the rights of all.

We have incorporated The UN Global Compact's Ten Principles into our strategies, policies and procedures

The UN Global Compact's Ten Principles derive from:
- The Universal Declaration of Human Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention Against Corruption.

The UN Global Compact's Ten Principles:
Human Rights
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: make sure that they are not complicit in human rights abuses.

Labour
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: the elimination of all forms of forced and compulsory labour;
Principle 5: the effective abolition of child labour; and
Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment
Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and
Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

UN Global Compact Communication on Progress 2018 and GC Advanced COP Self-Assessment

We have complied all of the information in Glencore's Communication on Progress 2018 from the following publications:

- Annual Report 2018 (AR18)
- Sustainability Report 2018 (SR18)
- GRI Databook 2018 (GRI18)
- Human Rights Report 2018 (HRR18)
- Water Report 2018 (WR18)
- Modern Slavery Statement 2018 (MSS18)
- Our Approach to Sustainability (Our Approach)
- Climate Change Considerations for our Business: 2017 (CCCB17)
- Statement of Values
- Code of Conduct
- Group Human Rights Policy
- Group Anti-Corruption Policy
- Group Sustainability Policy
- Group Supplier Standards (Supplier Standards)

These are available on our website: www.glencore.com

The following pages are our self-assessment on how we have met the GC Advanced Level criteria and reference our implementation of best practices, followed by our report on the ten principles. We consider that we have met a criterion when we communicate on its implementation or planned implementation.

Implementing UNGC principles into strategies and operations

Criterion 1: The COP describes mainstreaming into corporate functions and business units	
Best practices	**Reference**
Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc.) ensuring no function conflicts with company's sustainability commitments and objectives	• *Our sustainability approach* in Our Approach • *Our strategic approach* in SR2018 • *Sustainability chapter* and *Corporate Governance report* in AR18
Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy	• *Our sustainability approach* in Our Approach • *Our strategic approach* in SR18 • *Sustainability chapter* and *A strategy for a sustainable future* in AR18
Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary	• *Our sustainability approach* in Our Approach • *Our strategic approach* in SR18
Design corporate sustainability strategy to leverage synergies between and among issue areas and to deal adequately with trade-offs	• *Our sustainability approach* in Our Approach • *Our strategic approach* in SR18 • *Sustainability chapter* in AR18
Ensure that different corporate functions coordinate closely to maximise performance and avoid unintended negative impacts	• *Our sustainability approach* in Our Approach • *Our strategic approach* in SR18
Other established or emerging best practices	• *Our sustainability approach* in Our Approach • *Assessing materiality* in Our Approach • *Our strategic approach* in SR18 • *Stakeholder engagement* in SR18 • *Material topics* in SR18

Criterion 2: The COP describes value chain implementation	
Best practices	**Reference**
Analyse each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impacts	• *Business model, Our strategy for a sustainable future and Principal risks and uncertainties* in AR18 • Glencore Code of Conduct
Communicate policies and expectations to suppliers and other relevant business partners	• Glencore Statement of Values • Glencore Code of Conduct • *Business model* in AR18 • *Ethics and Ethics and compliance section* in the *Sustainability chapter* in AR18 • *Ethics and compliance* in SR18
Implement monitoring and assurance mechanisms (e.g. audits/screenings) for compliance within the company's sphere of influence	• *Sustainability assurance* in Our Approach • *Ethics and compliance* in SR18 • *Ethics and Ethics and compliance section* in the *Sustainability chapter* in AR18 • *Risk management and internal control* in the *Corporate Governance report* in AR18
Undertake awareness-raising, training and other types of capacity building with suppliers and other business partners	• *Local Procurement* in Our Approach • *Coal: Increasing transparency in the supply chain* case study in SR18

	• *Ferroalloys: growing a local business* case study in SR18 • *Oil: supporting financial management* in SR18 • MSS2018 • Glencore Code of Conduct
Other established or emerging best practices	• *Our sustainability approach* in Our Approach • *Our strategic approach* in SR18 • *Stakeholder engagement* in SR18 • *Material topics* in SR18

Implementing the Ten Principles

The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment, and anti-corruption. These take the form of ten principles.

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: Make sure that they are not complicit in human rights abuses.
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: The elimination of all forms of forced and compulsory labour;
Principle 5: The effective abolition of child labour; and
Principle 6: The elimination of discrimination in respect of employment and occupation.
Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: Undertake initiatives to promote greater environmental responsibility; and
Principle 9: Encourage the development and diffusion of environmentally friendly technologies.
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Human rights

The first two UNGC principles relate to human rights.

Glencore prioritises respect for human rights everywhere that we operate. Our assets have many contacts with the communities in which we work. We uphold the human rights of our people and our local communities, including vulnerable groups such as women, children, indigenous people and victims of conflict. We pay particular attention to how human rights are handled in regions where our assets require additional security.

Our Group Human Rights Policy sets out our approach to this vital topic. The Policy aligns with the *Protect, Respect and Remedy* framework from the UN *Guiding Principles on Business and Human Rights*, and with the ILO's *Core Conventions*. In addition, our security procedures align with the Voluntary Principles on Security and Human Rights (Voluntary Principles).

Day-to-day responsibility for ensuring that our people comply with the policy lies with our departmental and operational managers. Risk assessment is fundamental to our Group approach: we require each asset to conduct a risk assessment for human rights infringements at key phases of its lifecycle. Assessments are adapted for the specific circumstances of each operational region. Our assets must also operate grievance mechanisms that are accessible, accountable and fair, which let our stakeholders raise concerns without fear of recrimination. Assets also conduct regular human rights training for their workforce. This covers general human rights awareness during day-to-day activities for our wider workforce, as well as focused Voluntary Principles training for our security employees and contractors in countries where the risk of security-related human rights abuses is relatively high.

We publish information that addresses these principles in:
- *Community and human rights* in Our Approach
- *Our people* in Our Approach
- *Material topics (Human rights and grievance mechanisms, Community engagement and social commitment compliance)* in SR18
- Glencore Code of Conduct
- Glencore Group Human Rights Policy

Labour standards

The next four principles relate to labour standards.

Our people are our greatest asset. We treat all our people fairly, uphold their rights and reward them competitively, in line with their contribution to our success. We believe that it is vital to our business to attract and retain the best people at every level.

All our operations strive to provide clear, attractive career paths and safe, healthy workplaces without discrimination or harassment. We rigorously enforce our equal opportunity policy at every level of the Group. We uphold the ILO Declaration on Fundamental Principles and Rights at Work.

Within all our assets' workforces, our intention is to reflect the demographics of our host communities; we prohibit discrimination based on race, nationality, religion, gender, age, sexual orientation, disability, ancestry, social origin, political or other opinion, or any other bias. We do not tolerate any form of racial, sexual or workplace harassment.

We prohibit child, forced, or compulsory labour.

We recognise and uphold the rights of our people, whatever their location or role, to a safe workplace, freedom of association, collective representation, just compensation, job security and development opportunities. We are committed to working honestly and openly with labour unions across the Group.

We publish information that addresses these principles in:
- *Community and human rights* in Our Approach
- *Our people* in Our Approach
- *Material topics (Human rights and grievance mechanisms, Community engagement and social commitment compliance, Our people)* in SR18
- 2017 Modern Slavery Statement
- Glencore Group Human Rights Policy
- Glencore Code of Conduct

Environment

The next three principles relate to the environment.

We work to minimise and mitigate any negative impact from our operations. These may be direct or indirect. We continually work to improve our performance in this regard. Our Group Environmental Policy aligns with international environmental standards, including ISO 14001, and we use the precautionary principle in our decision-making processes.

Our Group Environmental Policy requires our assets to undertake detailed risk assessment reviews, and identify appropriate mitigation action where necessary. Our assets maintain environmental management plans based on these reviews. The plans focus on: maintaining the integrity of our facilities; the efficient use of resources; preserving protected areas and biodiversity; and ensuring closure planning and rehabilitation. Assets update these plans at each stage of their lifecycles, and incorporate them into overall risk registers and management plans.

We disseminate scientific data and promote good biodiversity assessment practice and experiences whenever possible. We support the development and implementation of scientifically sound, inclusive and transparent approaches to integrated land use planning, biodiversity, conservation and mining.

We believe that we can play a constructive role in the development of public policy on climate change and energy. We wish to support constructive and informed public debate and value our engagement with all stakeholders. We actively support the development of low-emission technologies, including high-efficiency low-emission (HELE) coal power generation technologies. We have financially supported development of these technologies, including the Callide Oxyfuel Project in Australia. In addition, our coal business has established a wholly-owned, non-profit subsidiary, Carbon Transport and Storage Company (CTSCo), a leading a carbon capture and storage project. We established the CTSCo project to demonstrate the technical viability, integration and safe operation of CCS in Surat Basin, Australia.

We publish information that addresses these principles in:
- *Environment* in Our Approach
- *Material topics (Catastrophic hazard management, Climate change, Water and effluents, Waste and air emissions)* in SR18
- Climate change considerations for our business: 2017
- Glencore Code of Conduct
- Glencore Group Environmental Policy

Anti-corruption
The final principle relates to corruption.

Our primary objective is to ensure that we maintain a culture of ethical behaviour and compliance throughout the Group, rather than achieving the minimum required by law. Our Global Anti-Corruption Policy includes our clear position on bribery and corruption, which is that offering, paying, authorising, soliciting or accepting bribes is unacceptable.

We will not knowingly assist any third party in breaching the law, or participate in any criminal, fraudulent or corrupt practice in any country. We seek to prevent such misconduct through training programmes and strong leadership, underpinned by internal policies, procedures and controls.

If one of our people encounters a situation in which our policies appear breached, the individual must raise this promptly with a supervisor or manager, local compliance co-ordinator, or a member of the Business Ethics Committee.

We publish information that addresses these principles in:
- *Ethics and compliance* in SR18
- *Ethics and Ethics and compliance section* in the *Sustainability chapter* in AR18
- Glencore Code of Conduct
- Glencore Global Anti-Corruption Policy

Robust human rights management policies and procedures

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: Make sure that they are not complicit in human rights abuses.

Criterion 3: The COP describes robust commitments, strategies or policies in the area of human rights	
Best practices	**Reference**
Commitment to comply with all applicable laws and respect internationally recognised human rights, wherever the company operates (eg the Universal Declaration of Human Rights, Guiding Principles on Human Rights) (BRE1 + ARE1)	*Community and human rights* in Our Approach *Ethics and compliance section in Sustainability chapter* in AR18 *Chairman's introduction and Chief Executive Officer's (CEO) review* in SR18 *Material topics (Human rights and grievance mechanisms, Our people)* in SR18 - Glencore Code of Conduct - Glencore Group Human Rights Policy
Integrated or stand-alone statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company (BRE 1 + BRE5 + ARE 1 + ARE 5)	Glencore Group Human Rights Policy
Statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services (BRE 1)	- Glencore Group Human Rights Policy - Glencore Code of Conduct
Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties (BRE 1 + BRE 5 + ARE 1 + ARE 5)	- Glencore Group Human Rights Policy - Glencore Code of Conduct

Criterion 4: The COP describes effective management systems to integrate the human rights principles	
Best practices	**Reference**
Process to ensure that internationally recognised human rights are respected	- HRR18 *Ethics and compliance section in Sustainability chapter* in AR18 *Community and human rights* in Our Approach *Ethics and compliance section in Sustainability chapter* in AR18 *Ethics and compliance chapter and Material topics (Human rights and grievance mechanisms, Community engagement and social commitment compliance)* in SR18 *Coal: Respecting human rights* case study in SR18 *Coal: Supporting territorial peace in Colombia* case study in SR18 - Glencore Code of Conduct

	• Glencore Group Human Rights Policy
On-going due diligence process that includes an assessment of actual and potential human rights impacts (BRE 2 + BRE 3 + ARE 2 + ARE 3)	• HRR18 • *Ethics and compliance section in Sustainability chapter* in AR18 • *Community and human rights* in Our Approach • *Material topics (Human rights and grievance mechanisms, Community engagement and social commitment compliance)* in SR18
Internal awareness-raising and training on human rights for management and employees	• HRR18 • *Ethics and compliance section in Sustainability chapter* in AR18 • *Community and human rights* in Our Approach • *Material topics (Human rights and grievance mechanisms)* in SR18
Operational-level grievance mechanisms for those potentially impacted by the company's activities (BRE 4 +ARE 4)	• HRR18 • *Ethics and compliance section in Sustainability chapter* in AR18 • *Community and human rights* in Our Approach • *Material topics (Human rights and grievance mechanisms, Community engagement and social commitment compliance)* in SR18
Allocation of responsibilities and accountability for addressing human rights impacts	• HRR18 • *Our sustainability approach* in Our Approach • *Community and human rights* in Our Approach • *Our strategic approach* in SR18 • *Material topics (Human rights and grievance mechanisms, Community engagement and social commitment compliance)* in SR18
Internal decision-making, budget and oversight for effective responses to human rights impacts	• HRR18 • *Community and human rights* in Our Approach • Glencore Group Human Rights Policy
Processes to provide for or cooperate in the remediation of adverse human rights impacts that the company has caused or contributed to (BRE 3+ BRE 4 + ARE3 + ARE 4)	• HRR18 • *Community and human rights* in Our Approach • *Material topics (Human rights and grievance mechanisms, Community engagement and social commitment compliance)* in SR18 • *Coal: Supporting territorial peace* case study in SR18
Process and programmes in place to support human rights through: core business; strategic philanthropic/social investment; public policy engagement/advocacy; partnerships and/or other forms of collective action (BRE 6 + ARE 6)	• HRR18 • *Community and human rights* in Our Approach

	• *Material topics (Human rights and grievance mechanisms, Community engagement and social commitment compliance)* in SR18 • *Coal: Creating shared value* case study in SR18 • *Copper: Building artisan skills* case study in SR18 • *Nickel: Raglan Mine's closure plan* case study in SR18 • *Oil: Maternity health centre in Bemangra* case study in SR18 • *Oil: Rehabilitation of Krim-Krim's water tower* case study in SR18

Criterion 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration	
Best practices	**Reference**
System to monitor the effectiveness of human rights policies and implementation with quantitative and qualitative metrics, including in the supply chain (BRE3 + ARE3)	• HRR18 • Asset and Group-level assurance programmes • Annual report on progress submitted to the Voluntary Principles • MSS2018
Monitoring drawn from internal and external feedback, including affected stakeholders	• HRR18 • *Community and human rights* in Our Approach • *Material topics (Human rights and grievance mechanisms, Community engagement and social commitment compliance)* in SR18 • *Coal: Increasing transparency in the supply chain* case study in SR18
Leadership review of monitoring and improvement results	• *Community and human rights* in Our Approach • *Material topics (Human rights and grievance mechanisms)* in SR18
Process to deal with incidents the company has caused or contributed to for internal and external stakeholders (BRE 4 + ARE 4)	• *Community and human rights* in Our Approach • *Material topics (Human rights and grievance mechanisms)* in SR18
Grievance mechanisms that are legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning, and based on engagement and dialogue (BRE4 + ARE4)	• *Community and human rights* in Our Approach • *Ethics and compliance chapter and Material topics (Human rights and grievance mechanisms)* in SR18 • Glencore Group Human Rights Policy • Glencore Group Community and Stakeholder Engagement Policy • Glencore Code of Conduct

Outcomes of integration of the human rights principles	• *Community and human rights* in Our Approach • *Ethics and compliance chapter and Material topics (Human rights and grievance mechanisms)* in SR18 • *Coal: Respecting human rights* case study in SR18

Robust labour management policies and procedures

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: The elimination of all forms of forced and compulsory labour;
Principle 5: The effective abolition of child labour; and
Principle 6: The elimination of discrimination in respect of employment and occupation.

Criterion 6: The COP describes robust commitments, strategies or policies in the area of labour	
Best practices	**Reference**
Reference to principles of relevant international labour standards (ILO Conventions) and other normative international instruments in company policies	• *Our people* in Our Approach • *Material topics (Our people)* in SR18 • *Stakeholder engagement* in SR18 • MMS2017
Reflection on the relevance of the labour principles for the company	• *Our people* in Our Approach • *Material topics (Our people)* in SR18 • Glencore Code of Conduct
Written company policy to obey national labour law, respect principles of the relevant international labour standards in company operations worldwide, and engage in dialogue with representative organization of the workers (international, sectoral, national).	• Glencore Code of Conduct
Inclusion of reference to the principles contained in the relevant international labour standards in contracts with suppliers and other relevant business partners	• *Our people* in Our Approach • *Material topics (Our people)* in SR18 • Glencore Code of Conduct
Specific commitments and Human Resources policies, in line with national development priorities or decent work priorities in the country of operation	*Examples: Inclusion of vulnerable/discriminated groups in the workforce (e.g., women, disabled, migrant, HIV/AIDS, older/younger workers); equal pay for work of equal value; contribution to national strategies to eliminate child/forced labour, etc.*
Participation and leadership by employers' organisations (international and national) to jointly address challenges related to labour standards in the countries of operation, possibly in a tripartite approach (business – trade union – government).	N/A

Structural engagement with a global union, possibly via a Global Framework Agreement	N/A

Criterion 7: The COP describes effective management systems to integrate the labour principles	
Best practices	**Reference**
Risk and impact assessments in the area of labour	*Our sustainability approach* in Our Approach *Our people* in Our Approach *Material topics (Our people)* in SR18 *Principal risks and uncertainties* in AR18
Dialogue mechanism with trade unions to regularly discuss and review company progress in addressing labour standards	*Our people* in Our Approach *Stakeholder engagement* in SR18 *Material topics (Our people)* in SR18
Allocation of responsibilities and accountability within the organisation	*Our people* in Our Approach *Material topics (Our people)* in SR18 - Group HSEC Management Framework
Internal awareness-raising and training on the labour principles for management and employees	- Glencore Code of Conduct *Ethics and compliance and Material topics (Our people)* in SR18
Active engagement with suppliers to address labour-related challenges	*Product Stewardship* in Our Approach *Ethics and compliance and Material topics (Product Stewardship)* in SR18 - MSS2018
Grievance mechanisms, communication channels and other procedures (e.g., whistle-blower mechanisms) available for workers to report concerns, make suggestions or seek advice, designed and operated in line with the representative organisation of workers	*Community and human rights* in Our Approach *Ethics and compliance and Material topics (Human rights and grievance mechanisms)* in SR18 *Ethics and Ethics and compliance section in Sustainability chapter of AR18* - Glencore Group Human Rights Policy - Glencore Code of Conduct

Criterion 8: The COP describes monitoring and evaluation mechanisms of labour principles integration	
Best practices	**Reference**
System to track and measure performance based on standardised performance metrics	*Our approach to sustainability* in Our Approach *Performance overview* in SR18 *Our strategic approach* in SR18
Dialogues with the representative organisation of workers to regularly review progress made and jointly identify priorities for the future	*Our people* in Our Approach *Stakeholder engagement* in SR18 *Material topics (Our people)* in SR18
Audits or other steps to monitor and improve the working conditions of companies in the supply	- Glencore Code of Conduct - MSS2018

chain, in line with principles of international labour standards	
Process to positively engage with the suppliers to address the challenges (i.e., partnership approach instead of corrective approach) through schemes to improve workplace practices	• Glencore Code of Conduct • MSS2018
Outcomes of integration of the Labour principles	• *Performance overview* in SR18 • *Material topics (Our people)* in SR18 • GRI18

Robust environmental management policies and procedures

Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: Undertake initiatives to promote greater environmental responsibility; and
Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

Criterion 9: The COP describes robust commitments, strategies or policies in the area of environmental stewardship	
Best practices	**Reference**
Reference to relevant international conventions and other international instruments (eg Rio Declaration on Environment and Development)	• All our policies align with relevant international standards and other best practice. • *Chairman's introduction* and *CEO review* in SR18 • WRR18 • *Environment* in Our Approach • *Material topics (Catastrophic hazard management, Climate change, Water and effluents, Waste and air emissions)* in SR18
Reflection on the relevance of environmental stewardship for the company	• *Our approach to sustainability* in *Our Approach* • *Environment* in Our Approach • *Material topics (Catastrophic hazard management, Climate change, Water and effluents, Waste and air emissions)* in SR18 • WRR18 • *Coal: Implementing a proactive approach to rehabilitation and mine closure planning* case study in SR18 • *Coal: Prodeco purchase of carbon certificates to mitigate climate change* case study in SR18 • *Nickel: Onaping Depth nickel project – one of the world's first fully electric mines* case study in SR18 • *Nickel: Raglan Mine erects its second wind turbine* case study in SR18 • *Oil: Reducing sulphur emissions in shipping* case study in SR18

	• *Oil: Treating ballast water* case study in SR18
Written company policy on environmental stewardship	• Glencore Group Environmental Policy (internal document)
Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners	• WRR18 • *Environment* in Our Approach • *Material topics (Product Stewardship)* in SR18 • Glencore Group Environmental Policy • Glencore Code of Conduct
Specific commitments and goals for specified years	• WRR18 • *Performance overview* in SR18 • *Material topics (Catastrophic hazard management, Climate change, Water and effluents, Waste and air emissions)* in SR18

Criterion 10: The COP describes effective management systems to integrate the environmental principles	
Best practices	**Reference**
Environmental risk and impact assessments	• *Our sustainability approach (sustainability assurance, Environment)* in Our Approach • WRR18 • *Material topics (Product Stewardship)* in SR18 • *Principal risks and uncertainties* in AR18 • Glencore Group Environmental Policy
Assessments of lifecycle impact of products, ensuring environmentally sound management policies	• *Product stewardship* in Our Approach • WRR18 • *Material topics (Product Stewardship)* in SR18 • *Coal: Implementing a proactive approach to rehabilitation and mine closure planning* case study in SR18 • *Coal: Prodeco purchase of carbon certificates to mitigate climate change* case study in SR18 • *Nickel: Onaping Depth nickel project – one of the world's first fully electric mines* case study in SR18 • *Nickel: Raglan Mine erects its second wind turbine* case study in SR18 • *Oil: Reducing sulphur emissions in shipping* case study in SR18 • *Oil: Treating ballast water* case study in SR18
Allocation of responsibilities and accountability within the organisation	• *Our sustainability strategy* in SR18 • *Environment* in SR18 • Glencore Group HSEC Management Framework • Glencore Group Environmental Policy

Internal awareness-raising and training on environmental stewardship for management and employees	• *Environment, Product stewardship* in Our Approach • *Material topics (Catastrophic hazard management, Climate change, Water and effluents, Waste and air emissions)* in SR18 • Glencore Group Environmental Policy
Grievance mechanisms, communication channels and other procedures (eg whistle-blower mechanisms) for reporting concerns or seeking advice regarding environmental impacts	• *Community and human rights* in Our Approach • *Ethics and compliance chapter and Material topics (Human rights and grievance mechanisms)* in SR18 • Glencore Group Human Rights Policy • Glencore Code of Conduct

Criterion 11: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship

Best practices	Reference
System to track and measure performance based on standardised performance metrics	• *Our sustainability approach, Environment* in Our Approach • *Performance overview* in SR18 • *Material topics (Catastrophic hazard management, Climate change, Water and effluents, Waste and air emissions)* in SR18 • GRI18 • Glencore Group Environmental Policy
Leadership review of monitoring and improvement results	• *Our sustainability approach, Environment* in Our Approach • *Material topics (Catastrophic hazard management, Climate change, Water and effluents, Waste and air emissions)* in SR18 • *Corporate Governance report* in AR18 • Glencore Group Environmental Policy
Process to deal with incidents	• Glencore Group Catastrophic and Fatal Hazard Management Policy • Glencore Group Emergency Response and Crisis Management Policy
Audits or other steps to monitor and improve the environmental performance of companies in the supply chain	• *Our sustainability approach, Environment* in Our Approach • WRR18 • *Material topics (Catastrophic hazard management, Climate change, Water and effluents, Waste and air emissions)* in SR18 • Glencore Code of Conduct
Outcomes of integration of the environmental principles	• *Environment* in Our Approach • *Material topics (Catastrophic hazard management, Climate change, Water and effluents, Waste and air emissions)* in SR18 • *Performance overview* in SR18

	- *Coal: Implementing a proactive approach to rehabilitation and mine closure planning* case study in SR18 - *Coal: Prodeco purchase of carbon certificates to mitigate climate change* case study in SR18 - *Nickel: Onaping Depth nickel project – one of the world's first fully electric mines* case study in SR18 - *Nickel: Raglan Mine erects its second wind turbine* case study in SR18 - *Oil: Reducing sulphur emissions in shipping* case study in SR18 - *Oil: Treating ballast water* case study in SR18GRI18 - Climate change considerations for our business: 2017

Robust anti-corruption management policies and procedures

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Criterion 12: The COP describes robust commitments, strategies or policies in the area of anti-corruption	
Best practices	**Reference**
Publicly stated formal policy of zero-tolerance of corruption (D1)	- *Ethics and compliance chapter* in SR18 - *Ethics and compliance section in Sustainability chapter* in AR18 - Glencore Global Anti-Corruption Policy - Glencore Code of Conduct
Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes(B2)	- *Ethics and compliance chapter* in SR18 - *Ethics and compliance section in Sustainability chapter* in AR18 - Glencore Global Anti-Corruption Policy - Glencore Code of Conduct
Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption (D2)	- *Ethics and compliance chapter* in SR18 - *Ethics and Ethics and compliance section in Sustainability chapter* in AR18 - Glencore Global Anti-Corruption Policy
Detailed policies for high-risk areas of corruption (D4)	- Glencore Global Anti-Corruption Policy - *Ethics and Ethics and compliance section in Sustainability chapter* in AR18
Policy on anti-corruption regarding business partners (D5)	- *Ethics and compliance chapter* in SR18 - *Ethics and Ethics and compliance section in Sustainability chapter* in AR18 - Glencore Global Anti-Corruption Policy - Glencore Code of Conduct

Criterion 13: The COP describes effective management systems to integrate the anti-corruption principle

Best practices	Reference
Support by the organization's leadership for anti-corruption (B4)	• *Ethics and compliance chapter* in SR18 • Glencore Global Anti-Corruption Policy • Glencore Code of Conduct
Carrying out risk assessment of potential areas of corruption	• *Ethics and compliance chapter* in SR18 • Glencore Global Anti-Corruption Policy • Glencore Code of Conduct
Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees (B5 + D8)	• *Ethics and compliance chapter* in SR18 • *Ethics and Ethics and compliance section in Sustainability chapter* in AR18
Internal checks and balances to ensure consistency with the anti-corruption commitment (B6)	• *Our sustainability approach* in Our Approach • *Ethics and Ethics and compliance section in Sustainability chapter* in AR18 • *Corporate Governance report*, AR18
Actions taken to encourage business partners to implement anti-corruption commitments (D6)	• *Ethics and compliance chapter in SR18* • *Glencore Global Anti-Corruption Policy* • Glencore Code of Conduct
Management responsibility and accountability for implementation of the anti-corruption commitment or policy (D7)	• Glencore Global Anti-Corruption Policy • *Corporate Governance report*, AR18
Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice (D9)	• *Ethics and compliance chapter* in SR18 • Glencore Global Anti-Corruption Policy • Glencore Code of Conduct
Internal accounting and auditing procedures related to anticorruption	• *Ethics and compliance chapter in SR18*

Criterion 14: The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption

Best practices	Reference
Leadership review of monitoring and improvement results (D12)	• *Corporate Governance report*, AR18
Process to deal with incidents (D13)	• *Ethics and compliance chapter* in SR18 • Glencore Global Anti-Corruption Policy • Glencore Code of Conduct
Public legal cases relating to corruption	N/A
Use of independent external assurance of anti-corruption programmes	N/A
Outcomes of integration of the anti-corruption principle	• *Ethics and compliance chapter* in SR18 • GRI18

Taking action in support of broader UN goals and issues

Criterion 15: The COP describes core business contributions to UN goals and issues	
Best practices	**Reference**
Align core business strategy with one or more relevant UN goals/issues	• *Chairman's introduction* and *CEO review* in SR18 • *Performance overview* in SR18 • *Stakeholder engagement* in SR18 • Glencore Code of Conduct
Develop relevant products and services or design business models that contribute to UN goals/issues	• Glencore Group Human Rights Policy • *Stakeholder engagement* in SR18
Adopt and modify operating procedures to maximise contribution to UN goals/issues	• *Material topics (Human rights and grievance mechanisms and Community engagement and social commitment compliance)* in SR18 • GRI18

Criterion 16: The COP describes strategic social investments and philanthropy	
Best practices	**Reference**
Pursue social investments and philanthropic contributions that tie in with the core competencies or operating context of the company as an integrated part of its sustainability strategy	• *Performance overview* in SR18 • *Community and human rights* in Our Approach • *Material topics (Community engagement and social commitment compliance)* in SR18 • *Coal: Creating shared value in South Africa* case study in SR18 • *Copper: Preventing malaria in the DRC* case study in SR18 • *Copper: Building local artisanal skills* case study in SR18 • *Copper: Supporting local education* case study in SR18 • *Oil: Maternity health centre in Bemangra* case study in SR18 • *Oil: Rehabilitation of Krim-Krim's water tower* case study in SR18 • *Oil: Melom School* case study in SR18 • GRI18 • Sustainability in AR18
Coordinate efforts with other organisations and initiatives to amplify and not negate or unnecessarily duplicate the efforts of other contributors	• *Community and human rights* in Our Approach • *Material topics (Community engagement and social commitment compliance)* in SR18
Take responsibility for the intentional and unintentional effects of funding and have due regard for local customs, traditions, religions, and priorities of pertinent individuals and groups	• *Community and human rights* in Our Approach • *Material topics (Community engagement and social commitment compliance)* in SR18

Criterion 17: The COP describes advocacy and public policy engagement	
Best practices	**Reference**
Publicly advocate the importance of action in relation to one or more UN goals/issues	• *Chairman's introduction* and *CEO review* in SR18 • *Coal: Supporting territorial peace* case study in SR18 • *Coal: Prodeco purchase of carbon certificates to mitigate climate change* case study in SR18
Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals/issues	Glencore's Chairman, Tony Hayward, has spoken at a number of events regarding climate change

Criterion 18: The COP describes partnerships and collective action	
Best practices	**Reference**
Develop and implement partnership projects with public or private organizations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy	• *Material topics (Human rights and grievance mechanisms and Community engagement and social commitment compliance)* in SR18 • *Coal: Implementing a proactive approach to rehabilitation and mine closure planning* case study in SR18 • *Coal: supporting research into low-emission technology* case study in SR18 • *Coal: Increasing transparency in the supply chain* case study in SR18 • *Copper: supporting local public health initiatives in Australia* case study in SR18 • *Ferroalloys: supporting the delivery of tertiary education* case study in SR18 • *Nickel: Raglan Mine erects its second wind turbine* case study in SR18
Join industry peers, UN entities and/or other stakeholders in initiatives contributing to solving common challenges and dilemmas at the global and/or local levels with an emphasis on initiatives extending the company's positive impact on its value chain	• *Stakeholder engagement* in SR18 • MSS2018 • Climate change considerations for our business: *2017* • Membership of International Council on Mining and Metals • *Coal: Prodeco purchase of carbon certificates to mitigate climate change* case study in SR18*Ferroalloys: supporting the delivery of tertiary education* case study in SR18 • *Nickel: Raglan Mine erects its second wind turbine* case study in SR18

Corporate sustainability governance and leadership

Criterion 19: The COP describes CEO commitment and leadership	
Best practices	**Reference**
CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact	• *CEO review* in SR18
CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards	• *CEO review* in SR18 • *Stakeholder engagement* in SR18
CEO leads executive management team in development of corporate sustainability strategy, defining goals and overseeing implementation	• *Our approach to sustainability* in Our Approach • *CEO review* in SR18 • *Our sustainability approach in SR18*
Make sustainability criteria and UN Global Compact principles part of goals and incentive schemes for CEO and executive management team	• Our CEO and executive management team have substantial shareholdings in Glencore, closely aligning their interests with the prospects of the company. As a company, we recognise that we will only deliver our full value through the integration of sustainability throughout our business.

Criterion 20: The COP describes Board adoption and oversight	
Best practices	**Reference**
Board of Directors (or equivalent) assumes responsibility and oversight for long-term corporate sustainability strategy and performance	• *Our sustainability approach* in Our Approach • *Our strategic approach* in SR2018 • *Sustainability chapter* and *Corporate Governance report* in AR18
Board establishes, where permissible, a committee or assigns an individual board member with responsibility for corporate sustainability.	• *Our sustainability approach* in Our Approach • *Our strategic approach* in SR2018 • *Sustainability chapter* and *Corporate Governance report* in AR18
Board (or committee), where permissible, approves formal reporting on corporate sustainability (Communication on Progress)	• *Our sustainability approach* in Our Approach • *Our strategic approach* in SR2018 • *Sustainability chapter* and *Corporate Governance report* in AR18

Criterion 21: The COP describes stakeholder engagement	
Best practices	**Reference**
Publicly recognise responsibility for the company's impacts on internal and external stakeholders	• *Chairman and Chief Executive's introduction* in Our Approach • *Material topics* in SR18 • *Material topics (Community engagement and social commitment compliance)* in SR18 • Glencore Statement of values
Define sustainability strategies, goals and policies in consultation with key stakeholders	• *Our approach to sustainability* in Our Approach • *Stakeholder engagement* in SR18 • *Material topics (Community engagement and social commitment compliance)* in SR18

Consult stakeholders in dealing with implementation dilemmas and challenges and invite them to take active part in reviewing performance	• *Stakeholder engagement* in SR18 • *Material topics (Community engagement and social commitment compliance)* in SR18
Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns, and protect 'whistle-blowers'	• *Community and human rights* in Our Approach • *Material topics (Human rights and grievance mechanisms, Community engagement and social commitment compliance)* in SR18 • Glencore Code of Conduct • Glencore Group Community and Stakeholder Engagement Policy

Business and Peace

Criterion A: Policies and practices related to the company's core business operations in high-risk or conflict-affected areas	
Best practices	**Reference**
Information on how policies, strategies and operating practices have been adapted to the specific high-risk/conflict context based on due diligence	• *Community and human rights* in Our Approach • *Material topics (Human rights and grievance mechanisms, Community engagement and social commitment compliance)* in SR18 • *Coal: Supporting territorial peace* case study in SR18
Adherence to best practices even where national law sets a lower standard, including in the management of security services	• *Community and human rights* in Our Approach • *Ethics and compliance chapter and Material topics (Human rights and grievance mechanisms, Community engagement and commitment compliance)* in SR18
Management of the supply chain to avoid contributing to conflict through purchasing decisions and practices	• *Compliance* in Our Approach • *Ethics and compliance chapter* in SR18 • *Ethics and compliance section* in the *Sustainability chapter* in AR18 • *Glencore Code of Conduct* • *Coal: Increasing transparency in the supply chain* case study in SR18

Criterion B: Policies and practices related to the company's government relations in high-risk or conflict-affected areas	
Best practices	**Reference**
Measures undertaken to avoid complicity in human rights violations by government actors	• *Community and human rights* in Our Approach • *Ethics and compliance chapter and Material topics (Human rights and grievance mechanisms, Community engagement and social commitment compliance)* in SR18 • Glencore Human Rights Policy • *Glencore Global Anti-Corruption Policy*

Management practices aimed at preventing corrupt relationships with government officials	• *Community and human rights* in Our Approach • *Ethics and compliance chapter and Material topics (Human rights and grievance mechanisms, Community engagement and social commitment compliance)* in SR18 • Glencore Human Rights Policy • Glencore Global Anti-Corruption Policy

Criterion C: Local stakeholder engagement and strategic social investment activities of the company in high-risk or conflict-affected areas

Best practices	Reference
Stakeholder engagement mechanisms across company and contractor operations	• *Community and human rights* in Our Approach • *Stakeholder engagement chapter and Material topics (Community engagement and social commitment compliance)* in SR18 • Glencore Community and Stakeholder Engagement Policy
Approaches to stakeholder engagement involving civil society, international organisations, etc.	• *Community and human rights* in Our Approach • *Stakeholder engagement chapter and Material topics (Community engagement and social commitment compliance)* in SR18 • Glencore Community and Stakeholder Engagement Policy
Actions towards constructive and peaceful company/community engagement	• *Community and human rights* in Our Approach • *Stakeholder engagement chapter and Material topics (Community engagement and social commitment compliance)* in SR18 • Glencore Community and Stakeholder Engagement Policy
Sustainable social investment projects	• *Community and human rights* in Our Approach • *Material topics (Community engagement and social commitment compliance)* in SR18 • Glencore Community and Stakeholder Engagement Policy