Baar, Switzerland

18 March 2014

Glencore Xstrata plc

2013 Annual Report of Glencore Xstrata plc ("Glencore" or the "Company")

Glencore has today:

- posted its Annual Report for the year ended 31 December 2013 ("**2013 Annual Report**") on its website: www.glencorexstrata.com as required by DTR 6.3.5 R (3); and
- submitted to the UK National Storage Mechanism, a copy of its 2013 Annual Report in accordance with LR 9.6.1 R.

The 2013 Annual Report will shortly be available for inspection on the National Storage Mechanism www.hemscott.com/nsm.do.

The Appendix to this announcement contains the following additional information which has been extracted from the 2013 Annual Report for the purposes of compliance with DTR 6.3.5 only:

- a description of principal risks and uncertainties;
- a note on related party transactions; and
- the Directors' Responsibilities Statement.

The Appendix should be read in conjunction with Glencore's Preliminary Results Announcement issued on 4 March 2014 (including the notice on forward looking statements at the end of that announcement). Together these constitute the material required by DTR 6.3.5 to be communicated to the media in unedited full text through a Regulatory Information Service. This announcement should be read in conjunction with and is not a substitute for reading the full 2013 Annual Report. Page and note references in the text below refer to page numbers and notes in the 2013 Annual Report and terms defined in that document have the same meanings in these extracts.

APPENDIX

Glencore's Principal risks and uncertainties

The following has been extracted from pages 18 - 31 of the 2013 Annual Report.

Managing risks and uncertainties in a manner that allows us to pursue business opportunities and create shareholder value is a continuous challenge. Identifying, quantifying and managing risk is complex and challenging. Risks can arise from factors and events outside of our control or from operational and management activities.

Our risk management framework identifies and manages risk in a way that is supportive of our strategic objectives of opportunistically deploying capital, while protecting our future financial security and flexibility. Our approach towards risk management is underpinned by our understanding of the risks that we are exposed to, our risk appetite and how our risks change over time.

The Board and its Audit Committee are responsible for maintaining our risk management framework and internal control processes and policies. The Board assesses and approves our

overall risk appetite, monitors our risk exposure and sets the group-wide limits, which are annually reviewed. The purpose of our management of risks is to ensure that an appropriate balance is maintained between the levels of risk assumed and expected return, while ensuring that fast, highly commercial decision-making remains unhindered. The significant shareholdings held by a number of key staff has created a strong culture around attitudes towards risks, which is further supplemented with prescriptive norms where necessary.

During 2013, the acquisitions of Xstrata and Viterra did not significantly impact our risk profile as the operations and associated risks and uncertainties acquired were consistent with the Group's existing activities.

Competitive, economic, political, legal, regulatory, social, business and financial risks and uncertainties all have the potential to significantly impact our business. Our principal risks, which have been assessed according to materiality and likelihood, are detailed below. The order in which these 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, results of operations, financial condition and/or prospects. These principal risks and uncertainties should be considered in connection with any forward looking statements in this document and the cautionary statement.

EXTERNAL

Fluctuations in expected volumes of supply or demand for the commodities in which the Group operates

The Group is dependent on the expected volumes of supply or demand for commodities in which the Group is active, which can vary over time based on changes in resource availability, government policies and regulation, costs of production, global and regional economic conditions, demand in end markets for products in which the commodities are used, technological developments, including commodity substitutions, fluctuations in global production capacity, global and regional weather conditions, natural disasters and diseases, all of which impact global markets and demand for commodities.

IMPACT: Fluctuations in the volume of each commodity produced or marketed by the Group could materially impact the Group's business, results of operations and earnings. These fluctuations could result in a reduction or increase in the income generated in respect of the volumes handled by the Group's marketing activities, or a reduction or increase in the volume and/or margin in respect of commodities produced by the Group's industrial assets.

MITIGATION: The risk of fluctuations in demand for the commodities in which the Group markets is managed by maintaining a diversified portfolio of commodities to market, reducing the impact of movement in any one commodity market. Individual commodities, even apparently closely linked products such as barley and wheat, have their own demand cycles reducing over-reliance on any single product.

Fluctuations of commodity prices

The revenue and earnings of the Group's industrial asset activities and, to a lesser extent, its marketing activities are dependent upon prevailing commodity prices. Commodity prices are influenced by a number of external factors, including the supply of and demand for commodities, speculative activities by market participants, global political and economic conditions and related industry cycles and production costs in major producing countries.

IMPACT: Fluctuations in the price of commodities produced or marketed could materially impact the Group's business, results of operations and earnings. The impacts that fluctuating commodity prices have on the Group's business differ between its marketing activities and industrial activities.

Marketing activities**:** In a market environment in which prices for a particular commodity are higher on average, the premiums/margins that the Group generates in its physical marketing operations relating to such commodity as a result of geographical, time and quality imbalances tend to be higher. The Group also generally benefits from fluctuating market prices, rather than long periods of stable prices, as it seeks to physically arbitrage such resulting price differentials. As prices of commodities rise, the Group generally has higher working capital financing requirements over the same quantity of commodities in question. During periods of falling commodity prices, the opposite applies in that the Group will require less working capital financing for its marketing activities.

Industrial activities**:** Higher prices will be particularly favourable to the profitability of the Group in respect of those commodities which the Group produces at its industrial assets or are produced by its associated companies and other investees. Similarly, low prices will negatively impact the Group's industrial activities and could result in such activities incurring losses. A significant downturn in the price of commodities generally results in a decline in the Group's profitability during such a period and could potentially result in a devaluation of inventories and impairments. Although the impact of a downturn on commodity prices affects the Group's marketing and industrial activities differently, the negative impact on its industrial activities is generally greater, as the profitability in the industrial activities is more directly exposed to price risk due to its higher level of fixed costs, while the Group's marketing activities are ordinarily substantially hedged in respect of price risk and principally operate a service-like margin-based model.

MITIGATION: The risk of fluctuations in commodity prices is managed by maintaining a diversified portfolio of commodities, reducing the impact of movement to any individual commodity price. In addition, the Group continuously reviews and looks to optimise its asset portfolio to ensure it is sufficiently cost effective and efficient and a substantial portion of our inventory is either under contract for sale at a pre-determined price or hedged through futures and options on commodity exchanges or with highly rated counterparties. Therefore, at any one time, the commodity price risk is restricted to a small proportion of the working capital balance.

Fluctuation in currency exchange rates

The vast majority of the Group's transactions are denominated in US dollars, while operating costs are spread across several different countries the currencies of which fluctuate against the in US dollar.

IMPACT: The vast majority of transactions undertaken by both the Group's marketing and industrial activities are denominated in US dollars. However, the Group is exposed to fluctuations in currency exchange rates:

• Through its industrial assets, because a large proportion of these assets are denominated in the currency of the country in which each asset is located, the largest of such currency exposures being to the Australian dollar, the Canadian dollar, the euro, the Kazakhstani tenge, the Chilean peso, the Norwegian kroner, the South African rand, the Argentine peso, the Colombian peso and the Peruvian sol;

• Through the costs of the Group's global office network, which are denominated largely in the currency of the country in which each office is located, the largest of such currency exposures being to the Swiss franc, the Australian dollar, the Canadian dollar, the South African rand, the British pound and the euro; and

• Through its marketing activities, although only a small minority of purchases or sale transactions are denominated in currencies other than US dollars.

Foreign exchange rates have seen significant fluctuation in recent years and a depreciation in the value of the US dollar against one or more of the currencies in which the Group incurs significant costs will therefore, to the extent it has not been hedged, result in an increase in the cost of these operations in US dollar terms and could adversely affect the Group's financial results.

MITIGATION: The Group manages the risk of fluctuating currency exchanges rates by operating in a number of different geographies and by hedging specific future non-US dollar denominated commodity purchase or sale commitments.

Geopolitical risk

The Group operates and owns assets in a large number of geographic regions and countries some of which are categorised as developing, complex and having unstable political or social climates and, as a result, is exposed to a wide range of political, economic, regulatory and tax environments. These environments are subject to change in a manner that may be materially adverse for the Group, including changes to government policies and regulations governing industrial production, foreign investment, price controls, import and export controls, tariffs, subsidies, income and other forms of taxation (including policies relating to the granting of advance rulings on taxation matters), nationalisation or expropriation of property, repatriation of income, royalties, the environment and health and safety.

IMPACT: The geopolitical risks associated with operating in a large number of regions and countries, if realised, could affect the Group's ability to manage or retain interests in its industrial activities and could have a material adverse effect on the profitability, ability to finance or, in extreme cases, viability of one or more of its industrial assets. Although the Group's industrial assets are geographically diversified across various countries, disruptions in certain of its industrial operations at any given time could have a material adverse effect on the Group.

MITIGATION: Geopolitical risk is managed through geographical diversification of commodities and operations, continuous monitoring and dialogue through and with the Group's network of field offices and a commitment to engage proactively with employees and the communities in which it operates, in order to maintain and improve its licence to operate.

Compliance with laws and regulations

As a diversified production, sourcing, marketing and distribution company conducting complex transactions globally, the Group is exposed to and subject to extensive laws and regulations governing various matters. These include laws and regulations relating to bribery and corruption, taxation, anti-trust, financial markets regulation, environmental protection, management and use of hazardous substances and explosives, management of natural resources, licences over resources owned by various governments, exploration, development of projects, production and postclosure reclamation, the employment of expatriates, labour and occupational health and safety standards, and historic and cultural preservation.

IMPACT: These laws and regulations may allow governmental authorities and private parties to bring lawsuits based upon damages to property and injury to persons resulting from the environmental, health and safety and other impacts of the Group's past and current operations, and could lead to the imposition of substantial fines, penalties, other civil or criminal sanctions, the curtailment or cessation of operations, orders to pay compensation, orders to remedy the effects of violations and/or orders to take preventative steps against possible future violations. Moreover, the costs associated with compliance with these laws and regulations are substantial. Any changes to

these laws or regulations or more stringent enforcement or restrictive interpretation of current laws and regulations could cause additional expenditure (including capital expenditure) to be incurred or impose restrictions on or suspensions of the Group's operations and delays in the development of its properties. In addition, obtaining the necessary governmental permits can be a particularly complex and time-consuming process and may involve costly undertakings. The duration and success of permit applications are contingent on many factors, including those outside the Group's control. Failure to obtain or renew a necessary permit could mean that such companies would be unable to proceed with the development or continued operation of a mine or project, which, in turn, may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

MITIGATION: The Group is committed to complying with or exceeding the laws, regulations and best practice guidelines applicable to its operations and products in the jurisdictions in which it operates and through continuous monitoring of legislative requirements and engagement with government and regulators, it strives to ensure full compliance.

Liquidity risk

The Group's failure to obtain funds could limit its ability to engage in desired activities and grow its business.

Liquidity, or ready access to funds, is essential to the Group's businesses. Liquidity risk is the risk that the Group is unable to meet its payment obligations when due, or that it is unable, on an ongoing basis, to borrow funds in the market on an unsecured or secured basis at an acceptable price to fund actual or proposed commitments. While the Group adjusts its minimum internal liquidity targets in response to changes in market conditions, these minimum internal liquidity targets may be breached due to circumstances it is unable to control, such as general market disruptions, sharp increases in the prices of commodities or an operational problem that affects its suppliers or customers or itself.

IMPACT: A lack of liquidity may mean that the Group will not have funds available to maintain or increase its marketing activities and industrial activities.

Marketing activities: The Group's marketing activities employ significant amounts of working capital to fund purchases of commodities for future delivery to its end customers, to meet margin requirements under derivative contracts and to fund the acquisition and maintenance of certain transport and storage assets which complement its marketing activities. Any inability to fund these amounts of working capital may prevent the Group from maintaining its historic levels of marketing activity or from increasing such levels in the future.

Industrial activities: The Group's industrial activities are capital intensive and the continued funding of such activities is critical to maintain its ownership interests in its industrial assets, to maintain production levels in periods when net operating cash flow is negative or insufficient to cover capital expenditures, to increase production levels in the future in accordance with its business plans and to grow its industrial activities through the acquisition of new assets. Any inability to fund these operating and capital expenditure requirements may prevent the Group from maintaining or growing its industrial activities' production output.

MITIGATION: The Group operates a policy of liquidity risk management, whereby it seeks to maintain (via a minimum prescribed level) sufficient cash and cash equivalents and other sources of committed funding available to meet anticipated and unanticipated funding needs.

MARKETING ACTIVITIES

Arbitrage opportunities

The Group's marketing activities are dependent, in part, on its ability to identify and take advantage of arbitrage opportunities.

IMPACT: Many of the physical commodity markets in which the Group operates are fragmented or periodically volatile. As a result, discrepancies generally arise in respect of the prices at which the commodities can be bought or sold in different forms, geographic locations or time periods, taking into account the numerous relevant pricing factors, including freight and product quality. These pricing discrepancies can present the Group with arbitrage opportunities whereby the Group is able to generate profit by sourcing, transporting, blending, storing or otherwise processing the relevant commodities. Profitability of the Group's marketing activities is, in large part, dependent on its ability to identify and exploit such arbitrage opportunities. A lack of such opportunities, for example due to a prolonged period of pricing stability in a particular market, or an inability to take advantage of such opportunities when they present themselves, because of, for example, a shortage of liquidity or an inability to access required logistics assets or other operational constraints, could adversely impact the Group's business, results of operations and financial condition.

MITIGATION: The Group mitigates the risk of an inability to take advantage of arbitrage opportunities or lack thereof by maintaining a diversified portfolio of products and through informational advantages the Group enjoys via its global network, its sizeable market share and logistics capabilities in many commodities enabling it to move quickly in response to arbitrage opportunities afforded by fluctuations and disequilibrium in commodity markets.

Hedging strategy

The Group's hedging strategy may not always be effective, does not require all risks to be hedged and may leave an exposure to basis risk.

IMPACT: The Group's marketing activities involve a significant number of purchase and sale transactions across multiple commodities. To the extent the Group purchases a commodity from a supplier and does not immediately have a matching contract to sell the commodity to a customer; a downturn in the price of the commodity could result in losses to the Group. Conversely, to the extent the Group agrees to sell a commodity to a customer and does not immediately have a matching contract to acquire the commodity from a supplier, an increase in the price of the commodity could result in losses to the Group, as it then seeks to acquire the underlying commodity in a rising market. In the event of disruptions in the commodity exchanges or markets on which the Group engages in hedging transactions, the Group's ability to manage commodity price risk may be adversely affected and this could in turn materially adversely affect its business, financial condition and results of operations.

In addition, there are no traded or bilateral derivative markets for certain commodities that the Group purchases and sells, which limits the Group's ability to fully hedge its exposure to price fluctuations for these commodities.

MITIGATION: In order to mitigate the risks in its marketing activities related to commodity price fluctuations and potential losses, the Group has a policy, at any given time, of hedging substantially all of its marketing inventory not already contracted for sale at pre-determined prices through futures and swap commodity derivative contracts, either on commodities' exchanges or in the over-the counter market.

In instances where there are no traded or bilateral derivative markets for certain commodities, the Group's ability to hedge its commodity exposure is limited to forward contracts for the physical delivery of a commodity or futures and swap contracts for a different, but seemingly related, commodity.

Counterparty credit and performance risk

The Group, in particular via its marketing activities, is subject to non-performance risk by its suppliers, customers and hedging counterparties.

IMPACT: Non-performance by the Group's suppliers, customers and hedging counterparties may occur in a range of situations, such as:

• A significant increase in commodity prices could result in suppliers being unwilling to honour their contractual commitments to sell commodities to the Group at preagreed prices;

• A significant reduction in commodity prices could result in customers being unwilling or unable to honour their contractual commitments to purchase commodities from the Group at pre-agreed prices;

• Customers may take delivery of commodities from the Group and then find themselves unable to honour their payment obligations due to financial distress or any other reasons; and

• Hedging counterparties may find themselves unable to honour their contractual commitment due to financial distress or other reasons.

Non-performance by a counterparty could have an adverse impact on the Group, results of operations and financial condition, including by creating an unintended, unmatched commodity price exposure.

In addition, financial assets consisting principally of cash and cash equivalents, marketable securities, receivables and advances, derivative instruments and long-term advances and loans could potentially expose the Group to concentrations of credit risk.

MITIGATION: The Group seeks to reduce the risk of customer nonperformance by requiring credit support from creditworthy financial institutions including making extensive use of credit enhancement products, such as letters of credit, insurance policies and bank guarantees, where appropriate, and by imposing limits on open accounts extended. Whilst these limits are believed appropriate based on current levels of perceived risk, there is a possibility that a protracted difficult economic environment would negatively impact the quality of these exposures. In addition, mark-to-market exposures in relation to hedging contracts are regularly and substantially collateralised (primarily with cash) pursuant to margin arrangements put in place with such hedge counterparties.

The Group actively monitors the credit quality of its counterparties, including the risk of non-performance by suppliers and customers alike, through internal reviews, strong relationships and industry experience and a credit scoring process which includes, where available, public credit ratings.

Risk management policies and procedures

Identifying, quantifying and managing risk is complex and challenging and although it is the Group's policy and practice to identify and, where appropriate and practical, actively manage such

risks to support its objectives in managing its capital and future financial security and flexibility, the Group's policies and procedures may not adequately identify, monitor and quantify risk.

IMPACT: The Group's marketing activities are exposed to commodity price, foreign exchange, interest rate, counterparty (including credit), operational, regulatory and other risks. The Group has devoted significant resources to developing and implementing policies and procedures to manage these risks and expects to continue to do so in the future. Nonetheless, the Group's policies and procedures to identify, monitor and manage risks have not been fully effective in the past and may not be fully effective in the future. Some of the Group's methods of monitoring and managing risk are based on historical market behaviour that may not be an accurate predictor of future market behaviour. Other risk management methods depend on evaluation of information relating to markets, suppliers, customers and other matters that are publicly available or otherwise accessible by the Group. This information may not in all cases be accurate, complete, up-to-date or properly evaluated. Management of operational, legal and regulatory risk requires, among other things, policies and procedures to properly record and verify a large number of transactions and events, and these policies and procedures may not be fully effective in doing so.

Failure to mitigate all risks associated with the Group's business could have a material adverse effect on the Group's business, results of operations and financial condition.

MITIGATION: The Group uses, among other techniques, Value-at-Risk, or VaR, as a key market risk measurement technique for its marketing activities. VaR does not purport to represent actual gains or losses in fair value on earnings to be incurred by the Group, nor does the Group expect that VaR results are indicative of future market movements or representative of any actual impact on its future results. VaR has certain limitations; notably, the use of historical data as a proxy for estimating future events, market illiquidity risks and tail risks. While the Group recognises these limitations and continuously refines its VaR analysis, there can be no assurance that its VaR analysis will be an effective risk management methodology. Management of counterparty non-payment risk is mitigated by substantial use of credit enhancement products, including letters of credit, insurance and bank guarantees. Please refer to the Financial review for further explanation on the use of VaR.

Supply of commodities from third parties

The Group purchases a portion of the physical commodities sold by its marketing activities from its controlled industrial operations and associates. The remainder of the commodities sourced by its marketing operations are purchased from third party suppliers and entities in which the Group has a minority stake (excluding associates). The Group expects to continue to source commodities from such third parties in the future. The Group is potentially exposed to both price and supply risks with respect to commodities sourced from third parties and entities in which it holds a minority stake. The Group is reliant on third parties to source the majority of the commodities purchased by its marketing operations.

IMPACT: Any disruptions in the supply of product by factors such as weather and other natural disasters, unexpected maintenance problems, collapse or damage to mines, labour disruptions and changes in laws and regulations could adversely affect the Group's margins. The Group's business, results of operations, financial condition and prospects could be materially adversely impacted if it is unable to continue to source required volumes of commodities from its suppliers on reasonable terms or at all.

MITIGATION: The Group sources product from a large range of suppliers (industrial assets and third parties) and is not reliant on any one supplier to satisfy its performance. This enables the Group to source alternative product in the event of supply disruption. The Group benefits from

investments in numerous communities and shared ownership with local entities that helps to mitigate against some country specific risks.

Freight, storage, infrastructure and logistics support

The Group's marketing activities require access to significant amounts of freight, storage, infrastructure and logistics support and it is exposed to increases in the costs thereof. In addition, the Group often competes with other producers, purchasers or marketers of commodities or other products for limited storage and berthing facilities at ports and freight terminals, which can result in delays in loading or unloading the Group's products and expose the Group to significant delivery interruptions.

IMPACT: Increases in the costs of freight, storage, infrastructure and logistics support or limitations or interruptions in the supply chain which impedes the Group's ability to deliver its products on time, could adversely affect the Group's business, results of operations or financial condition.

MITIGATION: The risk of disruptions to or limitations of freight, storage, infrastructure and logistics support is mitigated through the Group's market position, global reach and its longstanding relationships with third party suppliers of freight. These give the Group an advantage in ensuring its commodity transport needs are met along with its investments in storage and logistic assets such as vessels, oil terminals and tank farms, metals and other warehouses and grain silos.

INDUSTRIAL ACTIVITIES

Non-controlling stakes, joint ventures and strategic partnerships or agreements

Some of the Group's industrial assets are held through non-controlling stakes or joint ventures and strategic partnership arrangements.

IMPACT: The Group does not control a number of its industrial investments. Although the Group has various structures in place which seek to protect its position where it does not exercise control, the boards of these companies may:

• Have economic or business interests or goals that are inconsistent with or are opposed to those of the Group;

• Exercise veto rights or take shareholders' decisions so as to block actions that the Group believes to be in its best interests and/or in the best interests of all shareholders;

• Take action contrary to the Group's policies or objectives with respect to investments or commercial arrangements; or

• As a result of financial or other difficulties be unable or unwilling to fulfil their obligations under any joint venture or other agreement, such as contributing capital to expansion or maintenance projects. Improper management or ineffective policies, procedures or controls of a non-controlled entity could adversely affect the business, results of operations and financial condition of the relevant investment and, therefore, of the Group.

MITIGATION: Where projects and operations are controlled and managed by the Group's co-investors or where control is shared on an equal basis, the Group actively participates in the governance structures of the co-managed operation to ensure, where possible, with the Group's policies and/or objectives.

Project development

The Group has a number of significant expansions planned for its existing operations and plans for certain new projects, the development of which is exposed to a number of risks outside of its

control such as technical uncertainties, infrastructure constraints, cost overruns, insufficient labour skills or resources and delays in permitting or other regulatory matters.

IMPACT: Any future upward revisions in estimated project costs, delays in completing planned expansions, cost overruns, suspension of current projects or other operational difficulties after commissioning, may have a material adverse effect on the Group's business, results of operations, financial condition or prospects, in turn requiring the Group to consider delaying discretionary expenditures, including capital expenditures, or suspending or altering the scope of one or more of its development projects.

MITIGATION: Project development risks are mitigated and managed through the Group's continuous project status evaluation and reporting processes, the significant focus of such being appropriate approval processes and transparent and timely reporting of costs and progress relative to plan. Significant projects are regularly audited against the project plan and reporting processes.

Operating risks and hazards

The Group's industrial activities are subject to numerous operating risks and hazards normally associated with the development and operation of natural resource projects, many of which are beyond the Group's control. These operating risks and hazards include unanticipated variations in grade and other geological problems, seismic activity, climatic conditions such as flooding or drought, metallurgical and other processing problems, technical failures, unavailability of materials and equipment, interruptions to power supplies, industrial actions or disputes, industrial accidents, labour force disruptions, unanticipated logistical and transportation constraints, tribal action or political protests, force majeure factors, environmental hazards, fire, explosions, vandalism and crime.

IMPACT: These risks and hazards could result in damage to, or destruction of, properties or production facilities, may cause production to be reduced or to cease at those properties or production facilities, may result in a decrease in the quality of the products, personal injury or death, environmental damage, business interruption and legal liability and may result in actual production differing from estimates of production.

The realisation of such operating risks and hazards and the costs associated with them could materially adversely affect the Group's business, results of operations and financial condition, including by requiring significant capital and operating expenditures to abate the risk or hazard, restore the Group or third party property, compensate third parties for any loss and/or pay fines or damages.

MITIGATION: Operating risks and hazards are managed through the Group's continuous assessment, reporting and communication of the risks that affect its business through its annual risk review processes and updates to its risk register. In addition, risk is mitigated somewhat through geographic and multiple project diversification.

Title to the land, resource tenure and extraction rights

The Group has industrial investments in certain countries where title to land and rights in respect of land and resources (including indigenous title) has not been and may not always be clear, creating the potential for disputes over resource development. Title to the Group's mining and hydrocarbon rights may be challenged or impugned, and title insurance may not generally be available. In many cases, the government of the country in which a particular asset is located is the sole authority able to grant such rights and, in some cases, may have limited infrastructure and

limited resources which may constrain the Group's ability to ensure that it has obtained secure title to individual exploration licences or extraction rights.

IMPACT: Any dispute, relating to a material industrial asset, could disrupt or delay relevant mining, processing or other projects and/or impede the Group's ability to develop new industrial properties, which may have a material adverse effect on the Group's business, results of operations and financial condition.

MITIGATION: Title and tenure risks are managed through geographical diversification of commodities and operations, continuous monitoring and dialogue through and with the Group's network of local offices and a commitment to engage proactively with employees, governments and the communities in which the Group operates to maintain and better its licence to operate.

Availability of infrastructure

The production, processing and product delivery capabilities of the Group's industrial assets rely on their infrastructure being adequate and remaining available.

IMPACT: The mining, drilling, processing, development and exploration activities of the industrial assets in which the Group holds an interest depend on adequate infrastructure. Certain of these assets are located in areas that are sparsely populated and difficult to access. Reliable roads, power sources, transport infrastructure and water supplies are essential for the conduct of these operations and the availability and cost of these utilities and infrastructure affect capital and operating costs and therefore the Group's ability to maintain expected levels of production and results of operations. Unusual weather or other natural phenomena, sabotage or other interference in the maintenance or provision of such infrastructure could impact the development of a project, reduce production volumes, increase extraction or exploration costs or delay the transportation of raw materials to the mines and projects and commodities to end customers. Any such issues arising in respect of the infrastructure supporting or on the Group's sites could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

MITIGATION: Availability of infrastructure risk is mitigated through long-term supply agreements and the continuous monitoring through the Group's network of local offices, and a commitment to engage proactively with governments and the communities in which the Group operates to maintain and improve its licence to operate. In addition, where appropriate, we establish back-up sources of power.

Cost control

As commodity prices are outside of the Group's control, the competitiveness and sustainable long-term profitability of its industrial asset portfolio depends significantly on its ability to closely manage costs and maintain a broad spectrum of low-cost, efficient operations. Costs associated with the operation of the Group's industrial assets can be broadly categorised into labour costs and other on-site expenses, including power and equipment costs.

IMPACT: Production costs are heavily influenced by the extent of ongoing development required, ore grades, mine planning, processing technology, logistics, energy and supply costs and the impact of exchange rate fluctuations on costs of operations. All of the Group's industrial assets are, to varying degrees, affected by increases in costs for labour and fuel. Unit production costs are also significantly affected by production volumes and therefore production levels are frequently a key factor in determining the overall cost competitiveness of the Group's industrial activities. Any increase in input costs will adversely affect the Group's results of operations and financial condition.

MITIGATION: Maintaining costs and, where possible, lowering them is supported by the Group's continuous reporting on these measures, coupled with the inclusion of certain cost control evaluation measures in assessing management performance. In addition, risk is mitigated somewhat through geographic and multiple project diversification.

Resources and reserves

The Group's stated mineral, coal and hydrocarbon reserves, resources and mineralised potential are only estimates and the anticipated volumes or grades may not be achieved.

IMPACT: Actual reserves, resources or mineralised potential may not conform to geological, metallurgical or other expectations, and the volume and grade of ore or product recovered may be below the estimated levels. Lower market prices, increased production costs, reduced recovery rates and other factors may render the Group's reserves, resources or mineralised potential uneconomical to exploit and may result in revision of its reserve estimates from time to time. If the Group's actual mineral, coal and hydrocarbon reserves and resources are less than current estimates or if the Group fails to develop its resource base through the realisation of identified or new mineral potential, the Group's business, results of operations and financial condition may be materially and adversely affected.

The Group updates annually the quantity and quality of the estimated proven and probable reserves to reflect extraction, additional drilling and other available data in accordance with internationally recognised reporting frameworks, including JORC, SAMREC and PRMS.

Environmental hazards

The processes and chemicals used in the Group's extraction and production methods, as well as its shipping and storage activities, are subject to environmental hazards.

IMPACT: Where the Group holds or has interests in industrial activities, these assets are generally subject to environmental hazards as a result of the processes and chemicals used in traditional extraction, production, storage, disposal and transportation methods. Environmental hazards may exist on the Group's owned or leased properties or at those of the industrial activities in which it holds an interest, or may be encountered while its products are in transit. The storage of tailings at the Group's industrial assets may present a risk to the environment, property and persons, where there remains a risk of leakage from or failure of the Group's tailings dams, as well as theft and vandalism during the operating life of the assets or after closure.

Additionally, the Group conducts oil exploration and drilling activities and also stores and transports crude oil and oil products around the world. Damage to exploration or drilling equipment, a vessel carrying oil or a facility where oil is stored could lead to a spill, causing environmental damage with significant clean-up or remediation costs.

The Group may be liable for losses associated with environmental hazards, have its licences and permits withdrawn or suspended or may be forced to undertake extensive remedial clean-up action or to pay for government-ordered remedial clean-up actions, even in cases where such hazards have been caused by any previous or subsequent owners or operators of the property, by any past or present owners of adjacent properties, by independent third party contractors providing services to the Group or by acts of vandalism by trespassers. Any such losses, withdrawals, suspensions, actions or payments may have a material adverse effect on the Group's business, results of operations and financial condition.

MITIGATION: Compliance with international and local regulations and standards, protecting our people, communities and the environment from harm and our operations from business

interruptions are top priorities for the Group. The Group's operating procedures and those of its partners in relation to owned tankers conform to industry best practise working under the guidelines of the International Maritime Organisation (IMO), relevant Flag States and top tier Classification societies. Tankers chartered from third parties are required to meet strict vetting inspection requirements in line with OCIMF (Oil Companies International Marine Forum) and the Group's own standards. The Group's oil exploration activities engage best industry practises and procedures and utilise first class drilling contractors with proven expertise and experience. Additionally, wide-spread and comprehensive insurance cover is actively procured, to reduce the financial impact of operational risks, property damage, business interruption and environmental liabilities to the extent possible.

SUSTAINABLE DEVELOPMENT

Emissions and climate change regulation

The Group's global presence exposes it to a number of jurisdictions in which regulations or laws have been or are being considered to limit or reduce emissions. The likely effect of these changes will be to increase the cost for fossil fuels, impose levies for emissions in excess of certain permitted levels and increase administrative costs for monitoring and reporting.

IMPACT: Increasing regulation of greenhouse gas emissions, including the progressive introduction of carbon emissions trading mechanisms and tighter emission reduction targets is likely to raise production, transportation and administrative costs. In addition, regulation of greenhouse gas emissions in the jurisdictions of the Group's major customers and in relation to international shipping could also have a material adverse effect on the demand for some of the Group's products.

MITIGATION: The Group, through its sustainability programme, strives to ensure emissions and climate change issues are identified, understood and effectively managed and monitored in order to meet international best practice standards and ensure regulatory compliance.

Community relations

The continued success of the Group's existing operations and its future projects are in part dependent upon broad support and a healthy relationship with the respective local communities.

IMPACT: If it is perceived that the Group is not respecting or advancing the economic and social progress and safety of the communities in which it operates, the Group's reputation and shareholder value could be damaged, which could have a negative impact on its ''social licence to operate'', its ability to secure access to new resources and its financial performance. The consequences of negative community reaction could also have a material adverse impact on the cost, profitability, ability to finance or even the viability of an operation. Such events could lead to disputes with national or local governments or with local communities or any other stakeholders and give rise to material reputational damage. If the Group's operations are delayed or shut down as a result of political and community instability, its earnings may be constrained and the long-term value of its business could be adversely impacted. Even in cases where no action adverse to the Group is actually taken, the uncertainty associated with such political or community instability could negatively impact the perceived value of the Group's assets and industrial investments and, consequently, have a material adverse effect on the Group's financial condition.

MITIGATION: The Group believes that the best way to manage these vital relationships is to adhere to the principles of open dialogue and co-operation and in doing so, it engages with local communities to present and demonstrate the positive contribution to socioeconomic development

of the Group’s local operations and ensure that appropriate measures are taken to prevent or mitigate possible adverse effects on them, along with the regular reporting of such.

Employees

The maintenance of positive employee and union relations and the ability to attract and retain skilled workers are key to the success of the Group.

IMPACT: Some of the Group’s employees, as well as employees in non-controlled industrial investments, are represented by labour unions under various collective labour agreements. The Group or the industrial investments in which it holds an interest may not be able to satisfactorily renegotiate its collective labour agreements when they expire and may face tougher negotiations or higher wage demands than would be the case for non-unionised labour. In addition, existing labour agreements may not prevent a strike or work stoppage at its facilities in the future, and any strike or other work stoppage could have a material adverse effect on the Group’s business, results of operations and financial condition.

MITIGATION: The success of the Group’s business is also dependent on its ability to attract and retain highly effective marketing and logistics personnel as well as highly qualified and skilled engineers and other industrial, technical and project experts to operate its industrial activities in locations experiencing political or civil unrest, or in which they may be exposed to other hazardous conditions. The Group may not be able to attract and retain such qualified personnel and this could have a material adverse effect on the Group’s business, results of operations and financial condition. The Group understands that one of the key factors in its success is a good and trustworthy relationship with its people. This priority is reflected in the principles of its corporate practice and its related guidance, which require regular, open, fair and respectful communication, zero tolerance for human rights violations, fair remuneration and, above all, a safe working environment.

Health, safety and environment

The Group’s operations are subject to health, safety and environmental regulations and legislation along with complying with the Group’s corporate sustainability framework.

IMPACT: New or amended environmental, health and safety legislation or regulations may result in increased operating costs or, in the event of non-compliance or accidents or incidents causing personal injury or death or property or environmental damage at or to the Group’s mines, smelters, refineries, concentrators, drill rigs or related facilities (such as logistics and storage facilities) or surrounding areas may result in significant losses, interruptions in production, expensive litigation, imposition of penalties and sanctions or suspension or revocation of permits and licences, even in cases where such hazards have been caused by any previous or subsequent owners or operators of the property, by any past or present owners of adjacent properties, by independent third party contractors providing services to the Group or by acts of vandalism by trespassers. Any such losses, withdrawals, suspensions, actions or payments may have a material adverse effect on the Group’s business, results of operations and financial condition.

MITIGATION: The Group's approach to sustainability and our expectations of our employees, our contractors and our business partners are outlined in the Glencore Xstrata Corporate Practice (GCP). GCP underpins our approach towards societal, environmental and compliance indicators, providing clear guidance on the standards we expect all our operations to achieve.

Through the reporting function within GCP, our Board receives regular updates and has a detailed oversight on how our business is performing across all of the sustainability indicators.

RELATED PARTY TRANSACTIONS

The following has been extracted from page 193 of the 2013 Annual Report.

In the normal course of business, Glencore enters into various arm's length transactions with related parties (including Xstrata pre-acquisition and Century), including fixed price commitments to sell and to purchase commodities, forward sale and purchase contracts, agency agreements and management service agreements. Outstanding balances at period end are unsecured and settlement occurs in cash (see notes 11, 13, and 24). There have been no guarantees provided or received for any related party receivables or payables.

All transactions between Glencore and its subsidiaries are eliminated on consolidation along with any unrealised profits and losses between its subsidiaries and associates. Glencore entered into the following transactions with its associates:

US $ million	2013	2012
Sales[1]	1,863	1,661
Purchases[2]	(4,365)	(10,244)
Interest income[3]	24	24
Interest expense	-	(1)
Agency income[4]	33	95

[1] Includes pre-acquisition sales to Xstrata which comprise 28% of the balance (2012: 52%).

[2] Includes pre-acquisition purchases from Xstrata which comprise 84% of the balance (2012: 89%).

[3] Includes pre-acquisition interest income from Xstrata which comprise 7% of the balance (2012: 19%).

[4] Includes pre-acquisition agency income from Xstrata which comprise 91% of the balance (2012: 93%).

Remuneration of key management personnel

Glencore's key management personnel are the members of the Board of Directors, CEO, CFO and the heads of the operating segments. The remuneration of Directors and other members of key management personnel recognised in the consolidated statement of income including salaries and other current employee benefits amounted to $7 million (2012: $7 million). There were no other long-term benefits or share based payments provided to key management personnel (2012: $Nil). Further details on remuneration of Directors are set out in the Directors' remuneration report on page 92.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The following responsibility statement is repeated here solely for the purpose of complying with DTR 6.3.5. This statement relates to and is extracted from page 114 of the 2013 Annual Report.

These responsibilities are for the full 2013 Annual Report and not the extracted information presented in this announcement or otherwise.

"We confirm that to the best of our knowledge:

• the financial statements, prepared in accordance with International Financial Reporting standards and interpretations as adopted by the European Union, International Financial Reporting Standards and interpretations as issued by the International Accounting Standards Board and the Companies (Jersey) Law 1991, give a true and fair view of the assets, liabilities, financial position and profit of the Group and the undertakings included in the consolidation taken as a whole;

• the management report, which is incorporated in the Strategic Report, includes a fair review of the development and performance of the business and the position of the Group and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face; and

• the Annual Report and accounts, taken as a whole, are fair and balanced and understandable and provide the information necessary for shareholders to assess the performance, strategy and business model of the Company.

Anthony Hayward	Ivan Glasenberg
Interim Chairman	Chief Executive Officer"

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