

GLENCORE

An abstract graphic consisting of several concentric white circles of varying thicknesses, some of which are incomplete. A single white line extends from the right side of the circles, moving upwards and then horizontally to the right edge of the page.

Human Rights Report 2018

Our commitment to human rights

Our commitment

We seek to respect human rights wherever we operate. Our fundamental commitments are reflected in our values, our strategic priorities, our policies and our operational processes. This includes our publicly available Group Human Rights Policy, Our Code of Conduct and our Supplier Standards.



Further information on our management of human rights and grievance mechanisms is available in Our Approach to Sustainability, our Sustainability Report and our Supplier Standards.



We believe it is important to keep our stakeholders around the world informed about the development of our human rights programme and report transparently on our progress.

This report details our approach to human rights and our key activities and learnings during 2018. It also provides an overview of the human rights risks that are salient to our Group, and how we manage those risks. This report includes information on our business activities where we have operational control.

Ivan Glasenberg, CEO

We are committed to respecting human rights across all our business activities. We deliver this commitment by training our workforce, engaging with stakeholders in our communities, communicating our expectations to our business partners and operating complaints and grievance mechanisms. We recognise that our assets are part of our host communities and that we have a role in upholding respect for human rights. We take this seriously and actively engage with all our stakeholders as we seek to support the long-term sustainable development of our local and national hosts.



Contents

Introduction

Page 4

Our approach

Page 5

Progress in 2018

Page 9

Risk management

Page 13

Labour rights

Page 15

Safety

Page 17

Health

Page 19

Security

Page 21

Inequality

Page 23

Water

Page 26


Sustainability contacts

We welcome feedback on this report or on any other aspect of sustainability at Glencore. Comments can be sent to gcp@glencore.com

Sustainability online

Further information on our sustainability activities, plus more detailed data on our key sustainability indicators, is available on our website: glencore.com/sustainability

Find us on

-  [@Glencore](https://twitter.com/Glencore)
-  facebook.com/Glencore
-  youtube.com/glencorevideos

Introduction

We are committed to upholding respect for human rights for all those potentially affected by our business activities, including vulnerable groups such as women, children, indigenous people and victims of conflict. We also expect our business partners to share our commitment to respect human rights.



I am pleased to introduce our first standalone Human Rights Report. This report details our approach to human rights and our key activities and learnings on the topic in 2018. It also provides an overview of the human rights risks that are salient to our Group, and how we seek to manage those risks.

We are committed to upholding respect for human rights for all those potentially affected by our business activities, including vulnerable groups such as women, children, indigenous people and victims of conflict. We expect our business partners to share our commitment to respect human rights and conduct risk-based due diligence of suppliers during pre-qualification, the tendering process, or at the renewal of an existing term.

We recognise that our operations may affect, directly or indirectly, the rights of our workforce and the communities living close to our operations. We are also aware of the need to ensure unencumbered, fair and transparent

access to remedy for any stakeholder affected by our operations. We are continuing to look for ways to strengthen the mechanisms we have in place to address this.

Where we may adversely impact our stakeholders, we refer to the relevant international standards to assess, control and mitigate the impact. In particular, we seek to apply the Voluntary Principles on Security and Human Rights, the International Finance Corporation (IFC) Performance Standard 5 on land acquisition and involuntary resettlement, and the International Council on Mining and Metals (ICMM) position statement on free and prior informed consent (FPIC).

We are signatories to the United Nations (UN) Global Compact, aligning our strategies and operations with its principles, and we support the Sustainable Development Goals. We are members of the Plenary of the Voluntary Principles on Security and Human Rights (Voluntary Principles)

and the ICMM. We are an active participant in the Extractive Industries Transparency Initiative.

We are committed to implementing the UN Guiding Principles on Business and Human Rights (Guiding Principles) across our business and uphold the UN Universal Declaration of Human Rights, and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work as articulated in our Code of Conduct and Group Human Rights Policy.

Looking beyond our operations, we, along with our peers, were devastated by the human and environmental impacts resulting from the Brumadinho dam failure in Brazil earlier this year. We recognise that how we manage our waste may impact human rights, safety, and the environment. We are working on strengthening our transparency through increased disclosure on our tailings storage facilities management.

To date, we have designed our approach to human rights in consideration of the nature of our business and the geographies we operate in. We believe we have set the foundations to embed human rights across our business. We will continue to engage with our stakeholders on human rights to understand further the challenges and opportunities and as a means to support our approach of continuous improvement for our processes and activities across all areas of our businesses. I hope you find this new disclosure useful and we welcome your feedback.

Anna Krutikov
Head of Sustainable Development

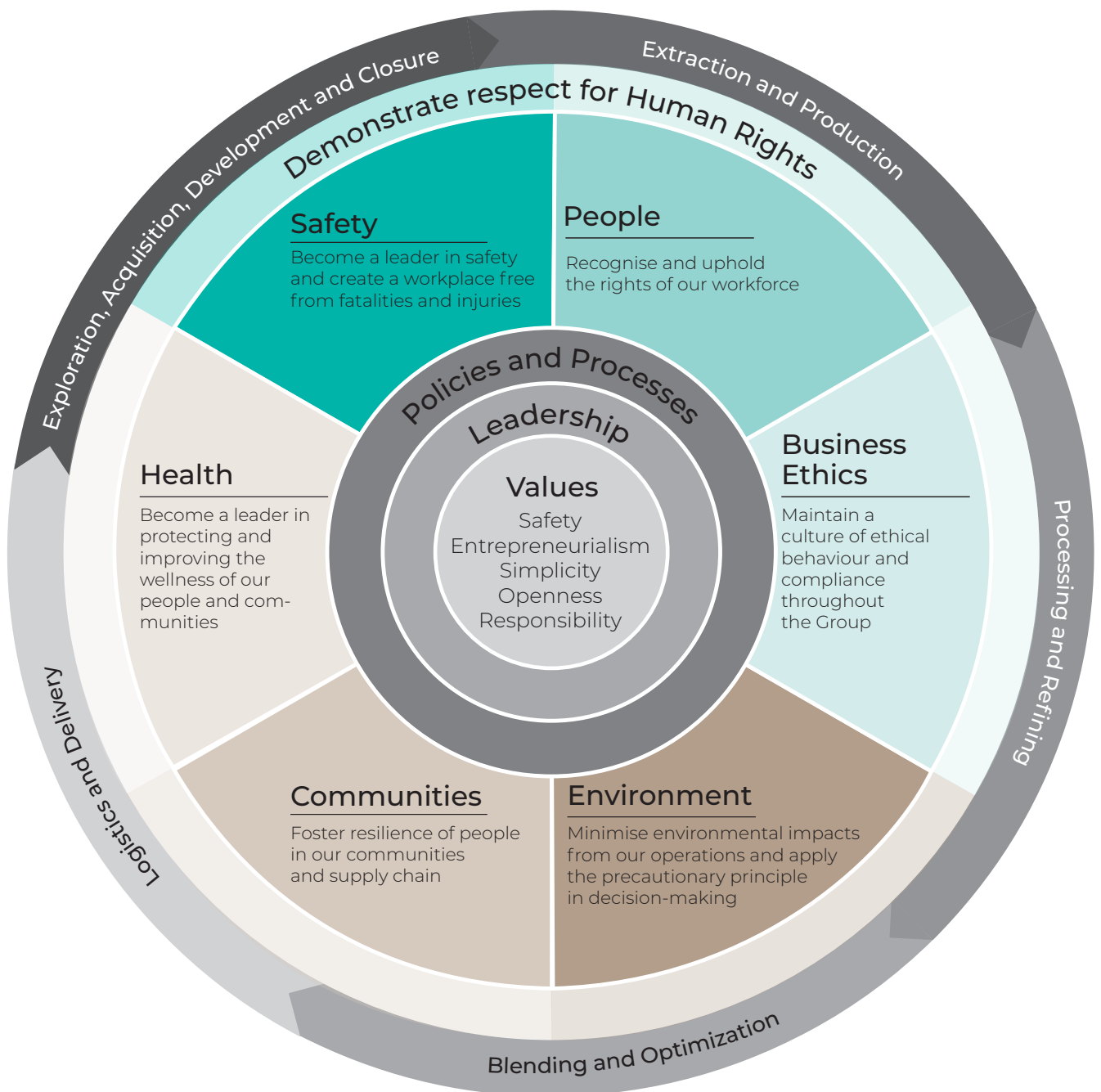
Our approach

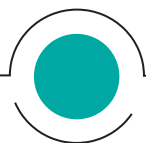
Our approach

We expect each corporate function to embed respect for human rights. The head of each function has day-to-day responsibility for ensuring respect for human rights within the areas for which they are accountable.



Our integrated approach to human rights





We have over 150 industrial assets and 90 marketing offices located in 50 countries and employ around 158,000 people. Our scale and diversity results in many opportunities to create value for our stakeholders, as well as challenges, such as consistent delivery of our approach.

Our broad portfolio of assets has led to diversity in our geographical locations, working conditions, organisational cultures and workforces. Our global policy framework reflects our values and code of conduct, aligns with our risk assessment process and sets our expectations for behaviour and performance at a site level. Reflecting the diversity of our operating processes and locations, our sites focus on local challenges and opportunities through tailored approaches and action plans that are locally appropriate.

The Board HSEC committee sets the leadership direction for our human rights programme and monitors the effectiveness of Group policies and processes.

At a Group level, we expect each corporate function to embed respect for human rights. The head of each function has day-to-day responsibility for ensuring respect for human rights within the areas for which they are accountable.

For example, procurement has responsibility for our supply chain, human resources for our people, and sustainable development for our host communities and the environment. Together, heads of each corporate function are part of an internal human rights steering committee (the steering committee) that meets throughout the year to discuss performance, progress, challenges and opportunities. The steering committee is led by the Head of Sustainable Development and reports on group-wide human rights performance to our senior management team, which includes the heads of the commodity departments and the Board HSEC Committee, which includes our chief executive and chairman.

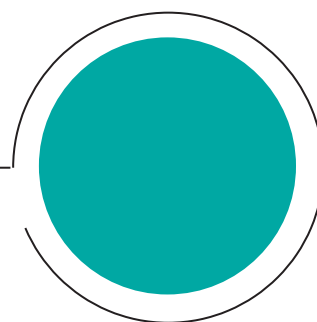
Our individual assets are expected to implement, manage and monitor the effectiveness of our human rights policies and processes. They are required to report on their implementation of our group policy framework and progress in integrating respect for human rights throughout their activities to the Group Sustainability function. We believe our decentralised approach promotes local ownership and empowers our teams on the ground to make appropriate and timely adjustments to reflect local circumstances.

Related policies and guidelines

- Code of Conduct
- Group Human Rights Policy
- Community and Stakeholder Engagement Policy
- Health and Safety Policy
- Environmental Policy
- Supplier Standards

Related external commitments

- UN Universal declaration on human rights
- The UN guiding principles on business and human rights
- The ILO Core Conventions
- Voluntary Principles on Security and Human Rights
- ICM
- EITI
- UN Global Compact



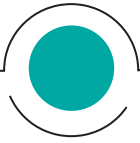
The key processes that support our human rights programmes

Process	Objectives
Risk management	<ul style="list-style-type: none"> Identify, assess, manage and mitigate human rights risks
Community and stakeholder engagement	<ul style="list-style-type: none"> Identify relevant, potentially impacted stakeholders Inform human rights risks assessments and/or impact assessments Determine if risk management activities are appropriate and effective Consult on design and effectiveness of grievance mechanisms Participate in multi-stakeholder forums to understand and discuss best practice/lessons learned
Due diligence	<ul style="list-style-type: none"> Identify and manage human rights risks in our business partners
Grievance and complaints mechanisms	<ul style="list-style-type: none"> Provide appropriate channels for stakeholders to raise and seek redress for impacts to their human rights (can include dedicated phone lines, registers in public places, SMS hotlines or community offices) <p>Note: Neither Glencore's Raising Concerns platform nor local grievance mechanisms impede access to judicial or administrative remedies. Glencore cooperates with state-based non-judicial grievance mechanisms.</p>
Monitoring and evaluation (incl. audit)	<ul style="list-style-type: none"> Review the effectiveness of human rights activities to continually improve human rights performance
Training	<ul style="list-style-type: none"> Build a consistent understanding amongst the workforce on the importance of respecting human rights Provide guidance to the workforce, including management personnel, on our expectations for demonstrating respect for human rights including how to implement and monitor human rights management controls

Progress in 2018

Overview

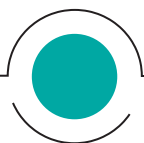
In 2018, the steering committee conducted a review to examine how well our assets are implementing our Group Human Rights Policy. This was to improve our understanding of how our business has integrated human rights concerns into day-to-day operating practice across the Group. The review team conducted interviews with key internal stakeholders and completed an external benchmarking of human rights performance against our peers.



The review showed that there are both areas of excellence and opportunities to strengthen the consistency of approach across the Group. It identified four priority areas for improvement:

1. **Business partners:** Expand on the Code of Conduct to more clearly articulate our expectations of suppliers, particularly within the marketing business, and provide more detail on our supply chain due diligence process.
2. **Training and capability development (all levels):** Build a shared understanding of the scope of human rights concerns, highlighting the importance of leadership in human rights risk management and raising awareness of the tools and resources available to support our teams.
3. **Grievance mechanisms:** Transition from collecting and investigating grievances to a strategic analysis of complaints and grievances as well as the appropriateness of remedy (when applicable).
4. **Community and human rights incident tracking and reporting:** Improve social incident identification and reporting.





The steering committee presented these findings to the Board HSEC committee and senior management who approved a programme of work to address the gaps.

1. **Supply chain due diligence:** We recognise our potential to affect human rights across each stage of our commodity supply chain.

We recently participated in a multi-stakeholder advisory group led by the Swiss government. This was to develop guidance for the commodity trading sector on implementing the Guiding Principles (see page 12).

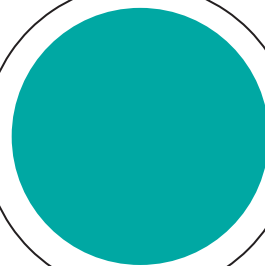
Following extensive internal and selective external engagement, the Board HSEC committee approved our new Supplier Standards, published in early 2019. The Supplier Standards build on the requirements of the Code of Conduct, detail our expectations for suppliers and outline an enhanced risk-based due diligence process for industrial operations and marketing activities. We are working with each commodity department to implement the Supplier Standards into our contracting processes across the Group in 2019.

2. **Training:** In May 2018, the steering committee attended our annual HSEC summit, to reinforce the importance of incorporating human rights into risk assessments and senior management decision-making. In August 2018, each commodity head from the industrial mining assets attended a human rights training session delivered by independent experts.

As a result, senior management recognised human rights training as essential to integrating human rights considerations across the business and we will refresh our training programme during 2019.

3. **Grievance mechanisms review:** We took part in an ICMM working group to update industry guidance on grievance mechanisms. In parallel, we have been reviewing and updating our own approach. Following the rollout of the updated ICMM guidance, we plan a more targeted review of our Group and local grievance mechanisms in 2019.

4. **Incident reporting and investigation:** We have developed a new process for internal reporting of social and human rights incidents across the Group, more closely aligned with our health and safety incident reporting process, which our assets understand and implement well. We began rolling this out in 2018 and plan to complete implementation, including bespoke training, in 2019.



The commodity trading sector

Between 2017 and 2018, we participated in a multi-stakeholder advisory group led by the Swiss government. This group supported the Institute for Human Rights and Business as it developed guidance for the commodity-trading sector on implementing the Guiding Principles. The advisory group comprised commodity traders, NGOs and Swiss government representatives.

The guidance aligns with established frameworks, including that of the Organisation for Economic Co-operation and Development (OECD), and aims to encourage responsible trading. It outlines the expectations of companies with regard to human rights, provides specific examples and recommendations for the commodity trading industry, and links to existing resources that companies can draw on to support their implementation journey.

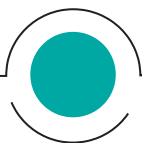
We welcome this guidance and are reviewing our systems and processes to identify opportunities for strengthening our respect for human rights in our marketing business.



Risk management

Our approach

We integrate risk management into our business planning and decision-making processes, including human rights-related risks. Our risk management framework and supporting guidelines apply to all the assets over which we have operational control. We expect these assets to provide resources and training on risk management processes for both employees and contractors. In addition, as detailed in our Supplier Standards, we undertake risk based due diligence of our current and potential suppliers, including a consideration for human rights.



In 2018, we started the process to determine our most salient human rights risks, in line with the Guiding Principles Reporting Framework. Our salient risk assessment considers risks to people. Our material topic assessment considers both impact to business and impact to stakeholders. Therefore our salient risks and our material topics don't align perfectly. We followed a three step process to determine our salient risks:

1. **Reviewed our experience:** We collated the outcomes of our internal risk management processes, including those from our grievance and complaints mechanisms.
2. **Studied the external landscape:** We considered the typical risks extractive companies are exposed to. We drew input from our peers, the ICM, the Corporate Human Rights Benchmark, the Business for Social Responsibility and the Principles for Responsible Investment. We developed a country-level risk assessment process based on the Corruptions Perception Index, the Environmental Performance Index, the Global Slavery Index and the Fragile State Index.

3. **Refined the list:** We analysed a 'long list' of potential issues to determine the gravity of each issue's impact, the number of individuals that are/could be affected, and how difficult that issue would be to resolve (in line with UNGP guidance) to select the most salient risks across the Group.

Our preliminary assessment identified six salient risks across the Group: labour rights, safety, health, security, inequality and water. These are not the only risks that we manage. These risks are, however, those where the activities of our assets and business partners may result in the most severe negative impact on human rights.

We will continue to re-evaluate our salient risks based on engagement with our stakeholders; we plan to hold regional workshops in 2019 to test our approach.

	Exploration, acquisition and development	Extraction and production	Processing and refining	Blending and optimisation	Logistics and delivery
 Labour Rights	Sub-standard working conditions, slavery, forced labour, child labour, industrial relations, discrimination				
 Safety	Injuries and fatalities				
 Health	Occupational diseases				
		Dust	SO ₂ /NO _x emissions, hazardous chemicals		
 Security	Violence or abuse by private or public security forces				
 Inequality	Access to grievance mechanisms				
	Bribery and Corruption				
		Artisanal and Small-Scale Mining Transparency			
 Water		Access to water and sanitation	Access to water and sanitation		



Our salient risks

Labour rights

Our workforce includes 158,000 people in over 50 countries; this means that our business activities can have a significant impact on the national and local communities in which we operate. When considering the workforce employed by all the businesses within our supply chain, the area of impact, and number of people affected, is even bigger.

Our success depends on attracting and retaining the best talent at every level of the Group. It is critical that we work with our employees, contractors, unions, suppliers and host governments to uphold the rights of our people to a safe work environment, freedom of association and collective representation. In 2018, collective bargaining agreements covered 74% of our employees. We do not tolerate any form of discrimination, intimidation or retaliation against workers, or union representatives, seeking to exercise their rights to freedom of association and collective bargaining. 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 value diversity and treat employees and contractors fairly, providing equal opportunities at all levels of our organisation; we do not tolerate any form of racial, physical, sexual or workplace harassment. We are committed to providing good working conditions for our workforce and put a lot of effort into providing our workforce with quality food, access to healthcare and fair wages. This is a particular priority as some local communities suffer from extreme poverty and poor access to public services and infrastructure such as power, water and healthcare. We strive to ensure our salaries and promotions reflect each individual's role, job category, skills, experience and commitment to our goals and values. Nationality is not a factor in calculating salaries.

Our Code of Conduct and Supplier Standards outline our expectations; they require our workforce and our business partners to demonstrate respect for labour rights.

Related human rights

- Right to just and favourable conditions of work
- Right to desirable work and to join trade unions
- Freedom from discrimination
- Right to rest and leisure
- Right to equality
- Freedom from slavery
- Freedom from child labour

Working conditions in the Democratic Republic of the Congo (DRC)

Challenge: On 22 February 2018 IndustriALL, a global union federation, issued a public statement accusing Glencore of workers' rights abuses at Mutanda Mining (MUMI) and Kamoto Copper Company (KCC), our assets in the Democratic Republic of Congo (DRC). Allegations included assertions that the assets provide insufficient drinking water, low quality food and limited health care for workers and their families, and that wages are low.

Our response: We are actively engaging with IndustriALL in the spirit of constructive and transparent dialogue. In March 2019, our DRC assets, MUMI and KCC, hosted IndustriALL on a fact-finding mission to understand the working conditions at these sites and to promote compliance with International Labour Organization's Conventions and Glencore's Code of Conduct, as well as to discuss the challenges of operating in the DRC. The visit focused on the efforts both assets are taking to continue to strengthen working conditions and to contribute to the socio-economic development of the DRC, including the following:

- Employees' understanding of job classifications and associated pay - MUMI and KCC are working on a review and communications around role classifications, skills development and available career development opportunities
- The availability of catering options for employees on medically-prescribed diets - MUMI and KCC's medical teams are spending more time in the kitchens supporting the development of medically-approved meal plans
- Access to water during shifts - everyone in the workforce has access to water any time they need it, and the sites continuously work to raise awareness of this at all parts of the operations through, for instance, poster campaigns, and shift supervisors highlighting the options to their teams during the pre-shift tool box talks
- Access to and location of sanitation facilities - as the operations develop, MUMI and KCC have worked to ensure that workers at all locations have access to adequate toilets and shower blocks. The location of these new facilities has improved employee access before, during and after shifts
- A consistent approach to personal protective equipment (PPE) - MUMI and KCC are reviewing existing PPE usage against function and location requirements. Where gaps are identified, an action plan will be developed that will include training and monitoring

IndustriALL recognises the good work of MUMI and KCC's joint community team and healthcare facilities. The community team operates a range of initiatives to promote socio-economic development in the region, including agricultural co-operatives and skills development for sustainable livelihoods such as carpentry, bee keeping, welding and catering. In addition, over 9,000 children participate in MUMI and KCC's school holiday camps that deter participation in artisanal mining activities. Both MUMI and KCC have onsite medical facilities, supported by a town-located medical centre, which provides a wide range of health services for their employees and eligible dependents.

We will continue to engage with IndustriALL in a structured dialogue, recognising their role in contributing to robust working conditions that support our ambitions on safety, employee development and production.



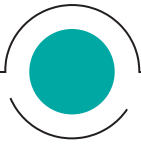
Safety

Protecting our people is our number one priority, whether they are direct employees, contractors, or community members; we believe that every fatality or injury is preventable. Our operations include the potential for hazardous work environments but we aim to create and maintain safe workplaces for all, with strong safety leadership. We expect every individual, both employees and contractors, to take responsibility for their own safety and for that of their colleagues and host communities. Our Supplier Standards specify how we expect business partners within our supply chain to share our commitment to safety.

We have rolled out SafeWork, a safety initiative focused on fatality prevention, worldwide. Risk management is at the heart of our approach. SafeWork includes a set of fatal hazard protocols that address the most common causes of fatalities and serious injuries at our operations. Any supplier providing services at a Glencore site must comply with our safety policies and also demonstrate that they have met safety standards commensurate with the services provided.

Related human rights

- Right to life
- Right to just and favourable conditions of work



Workplace safety

Challenge: We were deeply saddened to report thirteen deaths at our managed operations during 2018.

Our response: We have determined that the incidents leading to these deaths were connected to four of the fatal hazards covered by our established fatal hazard protocols: mobile equipment; ground and/or strata failure; working at height; and energy isolation. In light of these findings, each department is renewing its focus on these four hazards in its annual safety plan. In addition, our assurance activities are prioritising these hazards.

When a worker loses their life at assets where we have operational control, we work with their families to provide support, including financial and counselling.



Health

We are dedicated to eliminating our workforce's exposure to any material that may cause harm or occupational diseases. This also applies to our host communities. Our Supplier Standards specify how we expect business partners within our supply chain to share our commitment to health.

We have a programme of work to identify and implement health and wellbeing programmes for our people and our host communities. These are specifically designed for the individual circumstances of each asset.

Our health strategy consists of three pillars:

- 1. Healthy workplaces: Assessing, monitoring and controlling health risks to our people and host communities
- 2. Fit for work: Ensuring that our people's physical capability is compatible with the demands of their working environments
- 3. Fit for life: Recognising the value of our contribution to the wellbeing of our people and our host communities



- Right to health
- Right to safe drinking water and sanitation
- Right to an adequate standard of living

Some regions in which we operate do not have adequate public health facilities. In these communities we engage with local stakeholders to understand how we might work together to address such challenges.

Sulphur dioxide emission in Zambia

Challenge: There have been reports that Mopani Copper Mines, our Zambian copper operation, has exceeded the sulphur-dioxide (SO₂) emission limits recommended by the World Health Organization (WHO) over several years. There are reports that these emissions have caused respiratory diseases among members of local communities (including children), leading to hospitalisation.

Our response: We are investigating and implementing initiatives to help abate SO₂ emissions. We have invested \$500 million in upgrades to Mopani's smelter, which now captures 95% of all SO₂ emissions. The few instances of limits being exceeded have been for very short periods and generally follow the restarting of smelter furnaces following scheduled maintenance or a local power surge. Mopani has worked with the local community to develop a system to provide alerts about possible emissions increases when restarting the smelter. We are continuing to explore options for capturing emissions during such instances. This includes the smelter control room cross-checking emissions data with weather data from local monitoring stations and taking steps to reduce Mopani's throughput if the wind direction changes unfavourably. We recognise these broader challenges and are committed to reviewing the technical processes involved. Anyone who feels affected by these emissions has free access to the Mopani hospital. Green and Justice, a local NGO, has stated "we appreciate the concern by Mopani as our partner in considering our community and providing access to the Mine Hospital whenever there are heavy emissions in the area. We hope to continue working together to address community needs and challenges."

Heavy metal contamination in Peru

Challenge: There have been allegations of heavy metal contamination in the soil and water around our Antapaccay and Cerro de Pasco mines in Peru.

Our response: Antapaccay has water monitoring and treatment measures in place to ensure that their operations do not affect water quality or availability. The Agency for Assessment and Environmental Control, which forms part of Peru's Ministry of Environment, conducts audits of their water treatment testing. These audits have found no evidence that Antapaccay's operational practices cause pollution or that the high level of heavy metals in the blood of some local inhabitants relates to Antapaccay. Antapaccay has implemented a monitoring programme with local community participation. It publicly communicates the monitoring results to demonstrate compliance with the environmental levels established by Peruvian law. The results are also available in the local Quechua language to provide the local communities with access to the information.

In late 2017, Glencore acquired a controlling interest in Volcan Compañía Minera SAA (Volcan), a mining business located in Peru. We recognise that historical mining practices, which took place over many years under previous owners, resulted in some environmental challenges. We are working with Volcan's Cerro de Pasco mine to review its historical systems and areas of concern, and to develop an action plan to support its commitment to responsible operation and partnership. In particular, the site is focusing on strengthening its measurement and management of environmental controls, including the monitoring of any emissions to air, soil and water, for which it has drawn on expertise from our Mount Isa operation. While no exceedances of air quality limits have occurred since 2006, we continue to monitor performance.

As the mine progresses towards closure, we are working on the rehabilitation of oxide stockpiles and waste dumps to address the risks of soil contamination with lead. In addition, we are working with the community on a range of socio-economic and health baseline studies and development programmes.



Security

Like most extractive industry companies, we have security programmes to protect our people, equipment and products. This creates a risk that security teams may take action against stakeholders that violates their human rights.

Our security management approach is governed by the Voluntary Principles and reflects the UN's Code of Conduct for Law Enforcement Officials and the UN's Basic Principles on the Use of Force and Firearms. We expect our security providers to comply with our Supplier Standards, which align with OECD guidelines. Our assets consult regularly with their host governments and local communities about the impact of their security arrangements. Where appropriate, we seek to have contracts or memoranda of understanding that reference the Voluntary Principles or state our expectations for public security providers on upholding human rights. At operations identified as a high risk for security related human rights breaches, we have dedicated guidance to support Voluntary Principles implementation. We have already implemented the Voluntary Principles in Chad, Colombia, the DRC and Peru. In 2018, based on the outcome of a risk assessment, we started the process to implement them in South Africa.

Related human rights

- Right to life, liberty and security
- Freedom from arbitrary detention
- Freedom from torture or cruel, inhuman or degrading treatment

South Africa

Challenge: On 26 June 2018, members of the local community held a protest outside our Wonderkop Smelter to demand employment from the operation. The protesters were aggressive, closing off access roads, assaulting private security personnel by throwing stones at them, intimidating the South Africa Police Services and Glencore employees by pushing them around, and threatening to burn trucks entering and leaving the site.

Our response: Security personnel fired rubber bullets into the ground in an attempt to disperse the crowd, after which, eight people received minor injuries from ricocheting rubber bullets. Wonderkop Smelter offered medical assistance to the injured individuals. The management team at Wonderkop is working with the local police and authorities to reduce the risk of further security incidents. In 2018 we reviewed our guideline on implementing the Voluntary Principles and rolled out the revised guideline in early 2019. In November 2018, we conducted a workshop with community and security teams from our South African assets to develop a country level plan for implementing the Voluntary Principles.

Peru

Challenge: A family broke onto Antapaccay land and threw stones at Antapaccay security personnel and equipment. Antapaccay contacted the Public Prosecutor's Office in Espinar who requested that the local police enter Antapaccay property to restore order.

Our response: Glencore takes our human rights commitment towards our host communities very seriously, and we expect our business partners to do the same. Glencore has always rejected violence and will continue to do so; we are committed to transparent and constructive community engagement. Our security procedures align with the Voluntary Principles. We reinforce these procedures with risk assessments and incident reporting mechanisms, as well as training for security staff and contractors. We have launched an independent review of the events in Antapaccay. If the review determines that any of Antapaccay's team behaved in a way that is inconsistent with our Code of Conduct, security and human rights policies and training, we will take appropriate action.



Inequality

Our operations have a significant influence on the communities in which we operate. It is our responsibility to support sustainable development and growth and minimise any negative impact. In some of our host jurisdictions there is significant inequality between different groups of inhabitants and insufficient access to quality public services, e.g. education or medical care. These challenges can be particularly inflammatory if communities believe that the value created by the extraction of local natural resources is not being invested back into the region.

We have a two-tier approach to managing the risk associated with inequality:

1. **Community engagement:** We require each asset to have a stakeholder engagement strategy, designed to help the asset understand community challenges and objectives, and design development activities in collaboration with local people. The frequency of dialogue depends on the local environment and can range from monthly, to quarterly to annually plus ad hoc engagement as required. Over the last two years we have provided face-to-face training (2 to 4 days per session) on this topic to over 160 Glencore community managers from almost 60 assets through our Community Leadership Programme.
2. **Performance monitoring and disclosure:** Since 2015 we have published our socio-economic scorecard, which tracks our contribution to our host communities across four key areas:
 - a. Employees: wages and benefits
 - b. Suppliers and contractors: procurement of goods and services, development of local skills and enterprises
 - c. Local communities: community development, improvements to public-use infrastructure, development of local skills and enterprises
 - d. Local and national government: taxes and royalties, improvements to public-use infrastructure



Related human rights

- Right to an adequate standard of living
- Right to non-discrimination

Sustainable communities

Challenge: The economy in the DRC is heavily focused on resource extraction, which has led to a rise in informal and artisanal and small-scale mining (ASM) practices. The influx of people to the area, looking to participate in mining, has an enormous impact on community dynamics and increases security related risks.

Our response: Our DRC assets are in locations where communities are facing poverty and limited employment opportunities. While we are not the only operator in this region, we recognise the cumulative impact mining operations can have on the area. We are working with the government and other locally based organisations to develop additional solutions. Through our engagement with local communities, we identified a desire for alternative livelihood opportunities, including agriculture. In 2018, we supported over 140 agricultural cooperatives with over 4,000 members, many of whom are former artisanal miners. We are encouraging these alternative livelihood programmes to become independent and sustainable.

It is common for impoverished communities in resource-rich countries to turn to ASM as a means to generate income. Our due diligence processes ensure ASM material does not enter our supply chain. Through our commitment to responsible sourcing, we provide our workers with wages above the national average and access to health and education benefits. In addition, the tax and royalty payments we make to various levels of government support wider socio-economic development in the country.

Colombian peace process

Challenge: Since 1964, the armed conflict in Colombia has resulted in the deaths and displacement of hundreds of thousands of people. Many of our workers at Prodeco and members of the surrounding community, in the province of Cesar, have been affected by this violence to different degrees.

Our response: At a national level, Prodeco has contributed to the development of Colombia's National Human Rights and Business Plan. More locally, we have been working with the Cesar Development and Peace programme to help strengthen organisational and entrepreneurial capabilities and promote citizen participation in sustainable development initiatives for communities affected by violence. Since 2017 we have been working in the La Victoria de San Isidro and Estados Unidos communities. In April 2018 Prodeco, community residents and the village's local institutions signed a Trust Pact agreeing to strive to resolve any conflict. In September 2018 Prodeco was invited to a ceremony with the Estados Unidos community to commemorate the victims of armed conflict.



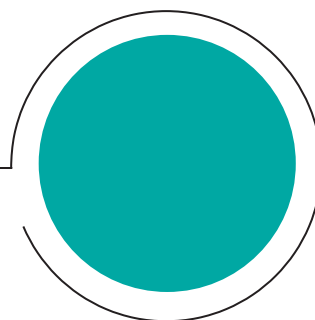
“In order to advance towards the construction of territorial peace it is necessary to coordinate efforts and contribute to the strengthening and mobilization of society around peace, especially in those places where the conflict has been more intense and devastating. In this sense it is increasingly evident that there is a need to create synergies between the different actors in order to contribute to sustainable development, to governability, and to democracy and peace. To contribute to what has been defined as “collaborative governability” that aligns the responsibility of all the actors within a framework of a social rule of rights.

This is a task that implies great challenges and requires actions in different levels. It is necessary, on the one part, to raise awareness in the business sector and identify and promote its role as builders of peace beyond their businesses and on the other hand, it is necessary to create and strengthen the

capabilities of social organizations so that they can participate, establish dialogues, influence public policy and promote respect and the promotion of their economic, social, cultural and environmental rights. It is also important to strengthen local institutions in order to achieve a transparent, assertive and timely administration of such local institutions that responds to the actual needs of the communities. An example and model of this work, has been the

relationship of trust built between Prodeco, the Development and Peace in Cesar Program, some local public administrations and communities located at the centre of the Cesar Department”.

Amaury Padilla, Cesar Development and Peace program director



Water

Water is a vital resource for both people and industry. Industrial mining activities are often water intensive and some of our assets are located in water-scarce regions. We continually look for ways to improve our operational processes and/or invest in technologies to reduce water consumption, increase water reuse and improve the quality of water discharged.

Related human rights

- Right to safe drinking water and sanitation
- Right to an adequate standard of living

Access to water

Challenge: South Africa has many regions with high levels of water stress. The communities living near operations based in the Emalahleni district are in an area with medium- to high-risk levels for access to water.

Our response: Tweefontein, Goedgevonden and iMpunzi operations have designed and established a water treatment plant to treat excess mine water and provide drinking water for the community. Based on the success of this programme, we are investigating the viability of a similar approach at our operations in Middelburg, where excess water is currently treated and discharged.

Impact to aquatic systems

Challenge: Puerto Nuevo is a public service port, in Ciénaga, Colombia, dedicated to the handling of coal using a direct loading system to load coal onto the ships. Fishing resources in the Gulf of Salamanca, an area adjacent to Puerto Nuevo's facilities, have been declining due to increased demand and changing fishing techniques.

Our response: The Gulf of Salamanca is in our area of influence and we recognise the impact shipping may have on aquatic systems. Working in partnership with Conservation International, the Marine Coastal Research Institute and ACDI/VOCA, Prodeco has designed a two tier strategy to promote sustainable management and use of the marine and coastal systems. The first component is to build an integrated management system to evaluate the environmental, oceanographic, biotic components and fishing capacity to inform fishing regulation. The second component is to strengthen traditional fishing techniques and promote sustainable consumption whereby fisherman develop direct commercial agreements with local restaurants.

Disclaimer

The companies in which Glencore plc directly and indirectly has an interest are separate and distinct legal entities. In this document, "Glencore", "Glencore Group" and "Group" are used for convenience only where references are made to Glencore plc and its subsidiaries in general. These collective expressions are used for ease of reference only and do not imply any other relationship between the companies. Likewise, the words "we", "us" and "our" are also used to refer collectively to members of the Group or to those who work for them. These expressions are also used where no useful purpose is served by identifying the particular company or companies.

Glencore plc

Baarermattstrasse 3
CH-6340 Baar
Switzerland

Tel: +41 41 709 2000
Fax: +41 41 709 3000
E-mail: info@glencore.com

glencore.com