
GLENCORE



SUSTAINABILITY REPORT 2014

Welcome to our 2014 Sustainability Report & Highlights

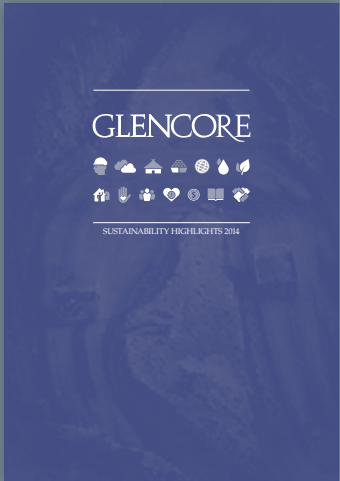
This year our printed report has two parts: the full Sustainability Report and a removable highlights document. More information is available at www.glencore.com/sustainability

Sustainability Report 2014



Our fifth Sustainability Report reviews our activities and performance in 2014. It details how we address our most material risks and opportunities; it is aimed at employees, investors, business partners, customers, governments and NGOs.

Highlights 2014



Our 2014 Sustainability Highlights provides a succinct overview of our activities and achievements during the year. This booklet has been designed to be read as a standalone document or as part of the full sustainability report.

Sustainability online



Further information on our work to integrate sustainability throughout our business is available on our website: www.glencore.com/sustainability

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Further details on our sustainability approach and performance can be found on our website www.glencore.com

DURING THE YEAR
WE JOINED THE
INTERNATIONAL
COUNCIL OF MINING
& METALS

Luke Veivers
at Mount Isa Mines,
Australia

Chairman's statement

I am proud to present Glencore's sustainability report for 2014.

We've had a solid year of operational and financial performance against a challenging backdrop. We've also seen substantial progress in sustainability. Responsibility is one of our five fundamental values; we take our responsibilities to our people, to society and to the environment very seriously. One of the Board's top priorities is ensuring that our values and our Code of Conduct are upheld throughout the Group.

Launching HSEC policies and assurance

At the start of the year, the Board oversaw the launch of a new suite of HSEC policies addressing our most material risks. These have been disseminated throughout the Group, and our operations are now incorporating them into their risk management and planning systems. In addition, the Board reviewed our Code of Conduct, launching a new version in early 2015 after careful scrutiny and discussion with stakeholders.

The Board also oversaw the design of a new HSEC assurance process, which will draw on internal expertise to ensure we manage key risks robustly and comply with Group policies.

Board focus on safety

Safety remains our priority. The Board HSEC Committee, which includes our CEO and me, reviews any event at our operations leading to loss of life. The Committee closely followed the management team's development of a strategy to review all aspects of our zinc business in Kazakhstan and introduce behavioural and operational changes. The strategy was developed and approved in 2014, and the Committee and I will monitor progress attentively.

Creating value for society

Our operations make a significant contribution to their host countries through taxes and royalties, employment, sourcing products and services, and investment in local communities. In 2014 the Board supported the launch of a project to better understand and manage these contributions.

Membership of external organisations

In early 2014 we sought admission to the International Council of Mining & Metals (ICMM), the industry association dedicated to establishing leading sustainability practices. The ICMM's admission process required us to demonstrate how we manage risk and how sustainability management is integrated into our business. I'm proud that we were successful in this.

We also signed up to the United Nations Global Compact, a set of principles covering human rights, labour, environment and anti-corruption.

In March 2015, we joined the Voluntary Principles on Security and Human Rights Initiative (Voluntary Principles). We look forward to working with our peers to further develop our approach towards human rights.

Active participation of our Board

Engaging with stakeholders is a key part of our decision-making process and vital for accountability. The HSEC Committee, Glencore's senior management and I are firmly committed to dialogue with anyone affected by our business. We meet with investors regularly, while Peter Coates, our HSEC Committee Chair, played an active role in the due diligence for our ICMM application.

We also engage with internal stakeholders. Peter chaired our first fatality prevention summit in 2014; this brought together the Group's senior management and safety professionals to identify, and commit to, safety performance improvements. We visit operations to see first hand the challenges they face, and how local management respond; this year we visited Canada, Colombia and Kazakhstan.

Changes to the Board

We value the diversity we gain from external perspectives; in this context we welcome our new Non-Executive Director, Patrice Merrin, to the Board. She brings valuable insight from her expertise in mining and climate change and is an active member of the HSEC Committee.

At our AGM in May 2014, I was honoured to be appointed Chairman by Glencore's shareholders. I look forward to working with our Board to continue improving Glencore's sustainability.

I'd like to close by thanking everyone within the Glencore Group for our progress this year. The HSEC Committee, the Board, and I all know we couldn't maintain and run a responsible values-driven business without your hard work.

Tony Hayward
Chairman

Chief Executive’s review

Glencore has always deliberately targeted brownfield operations when making acquisitions and starting new projects. We believe these assets have the best balance of opportunity against risk, both in business and sustainability terms. An existing brownfield site will already have physical infrastructure to build on, existing relationships with local stakeholders and often a trained workforce available.

However, these assets are often in challenging locations, with a variety of organisational cultures in place, and their own individual legacy issues. I believe they have the greatest need for strong standards; this is where our presence and leadership can help transform behaviour and contribute to sustainable economic growth.

Safety

Safety remains our top priority at every level of the Group; no loss of life is acceptable to us. It saddens me to report that 16 people lost their lives while working at Glencore operations in 2014. This regrettably high figure partly reflects legacy issues at a small proportion of our assets, which we refer to as our “focus assets”. While we suffered three deaths across the majority of our industrial operations (employing 110,000 people in total), the remaining 13 occurred at these focus assets. They employ 71,000 people and are located in challenging geographies, which did not feature strong safety cultures before we took over. Our other industrial operations are recognised as generally demonstrating leading levels of safety performance; we are committed to bringing this level of performance to our focus assets.

Overall, we are encouraged that the number of fatalities is lower than in previous years, and remain determined to eliminate loss of life completely. In 2013, we launched our SafeWork initiative, which identifies and specifically targets the most common fatal hazards within our operations. SafeWork has now been rolled out across the Group, with 118,000 workers trained in its principles during 2014. In the same year, our long-term injury frequency rate declined from 1.87 to 1.58. This reflects our focused implementation of best practice in safety, championed by our Board and senior management team. In May 2014 our implementation of best practice across the Group was recognised, as we achieved membership of the International Council on Mining and Metals.

We will not waver in our determination to ensure a safe workplace for all, employees and contractors alike.

Commitment to ethical behaviour

A personal priority for me is the ethical behaviour of our employees and their compliance with our values. In 2014, we updated our Code of Conduct and published our Group Anti-Corruption Policy. We also reviewed our internal reporting mechanisms and added channels through which concerns can be raised, including those which can be used anonymously, avoiding fear of recrimination.

Achieving sustainable change on the ground

This year saw the culmination of one of our biggest environmental improvement projects: the \$500 million, three-stage upgrade of the Mopani copper smelter in Zambia. When we took over this plant in 2000, it was releasing all sulphur dioxide (SO₂) emissions into the atmosphere. Now we capture 95% of SO₂ emissions, significantly improving local air quality. We’re also proud to have preserved the livelihoods of the 9,000 local people employed by the smelter during the project, which finished 15 months ahead of schedule.

Creating value for society

We’re committed to enhancing socio-economic growth wherever we operate. Our activities directly benefit our host communities through employment and tax revenues; indirectly, we source locally wherever possible, invest in infrastructure and support local healthcare and education programmes. We also invest in projects designed to help local communities support themselves sustainably after our operations have ceased. In 2014, we invested \$114 million in community projects.

Protecting human rights

The protection of human rights is a core consideration for Glencore. Some of our operations are located in remote places with a history of conflict. Towards the end of 2013 we announced our commitment to align our security management systems with the Voluntary Principles on Security and Human Rights. In March 2015, we were proud to be admitted to the Plenary Group of the Voluntary Principles Initiative.

Engaging with stakeholders: stranded assets

Some of our stakeholders are concerned about the future of our fossil fuel reserves; in particular that they may become stranded assets. Although climate change issues are part of the political, societal and regulatory landscape, we do not believe that the global energy reality will economically support carbon measures that would prevent us from fully utilising our fossil fuel reserves. Nor will shareholders be prevented from realising the full value of Glencore’s fossil fuel assets.

Fossil fuels are currently the most reliable and affordable route to energy security, especially for developing economies. Balancing growing demand with climate change concerns will require a range of energy sources, including renewables and nuclear. We believe that in the future, energy will be derived from a mix that includes the increased efficiencies and emission controls of advanced coal technology, a range of low-emissions technologies, and advances in carbon capture and storage.

Engaging with stakeholders: responding to criticism

Glencore has seen a number of critical NGO reports published over the past 12 months. We are committed to engaging with all our stakeholders, including critics, as we believe this can help us address some of the challenges we face on the ground. We have sought to engage with our critics transparently and constructively, and our responses to the material allegations can be found on our website. We maintain an open-door policy; my staff and I are available to meet anyone with genuine concerns about our practices.

Working with NGOs

We have continued to strengthen our partnerships with organisations dedicated to tackling social problems in the areas where we operate. In 2014 we initiated a partnership with CARE, a global NGO dedicated to fighting poverty. We look forward to working with CARE to strengthen our community programmes across the Group.

Looking ahead, we maintain our commitment to achieving sector-leading performance in safety and environment matters, and to enhancing the sustainable development of our host communities.

Finally, I’d like to thank everyone who works within the Glencore Group for your commitment over the past year. We know that our business is built on our people.

Ivan Glasenberg
Chief Executive Officer

Overview

*Managing sustainability
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Safety is our top priority at every level of the Group

We joined the Voluntary Principles Initiative, the ICMM and the UNGC

Smelter upgrade at Mopani completed 15 months ahead of schedule

Who we are

Glencore plc is a leading integrated producer and marketer of commodities operating worldwide. Our commodities comprise metals & minerals, energy products and agricultural products.

We market and distribute physical commodities sourced from third party producers as well as our own production. We also provide financing, processing, storage, logistics and other services to both producers and consumers of commodities.

We are a major producer and marketer of over 90 commodities. Our diversified operations comprise over 150 mining and metallurgical, oil production and agricultural assets. Our industrial and marketing activities are supported by a global network of more than 90 offices located in over 50 countries. We employ around 181,000 people, including contractors.

Our company is structured into three distinct business segments:



Metals & Minerals

These businesses include copper, zinc & lead, nickel, ferroalloys, alumina & aluminium and iron ore production and marketing. We have interests in both controlled and non-controlled industrial assets that include mining, smelting, refining and warehousing operations.



Energy Products

These businesses cover industrial and marketing activities for coal and oil, including controlled and non-controlled coal mining and oil production operations, and investments in strategic handling, storage and freight equipment and facilities.



Agricultural Products

This business is focused on grains, oils & oilseeds, cotton and sugar. Agricultural Products is supported by both controlled and non-controlled storage, handling and processing facilities in strategic locations.

Our business model

We are one of the world's largest diversified and vertically-integrated producers, processors and marketers of commodities. We market and distribute physical commodities to a highly diversified customer base that includes consumers of raw materials from the industrial, automotive, construction, steel, power generation, oil and food processing industries.



Sustainable approach

- We believe that our global presence and economic strength benefit socio-economic development in our host countries
- Our corporate sustainability framework, Glencore Corporate Practice (GCP), balances societal, environmental, ethical and commercial interests at every level of the Group



Insight

- Our scale and global reach give us valuable insight into market flows and access to real-time information across the globe
- Long-term offtake supplier agreements provide us with supply security and visibility of the wider market



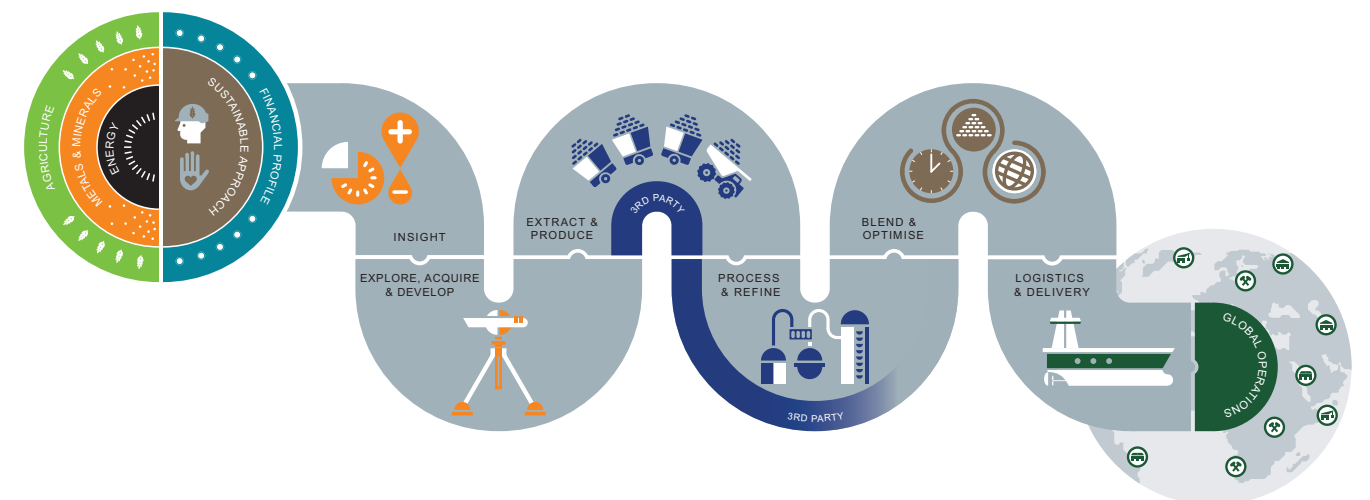
Extract & produce

- We operate assets that we wholly own or where we have majority ownership
- We make long-term investments in our assets and prioritise being a competitive producer
- Our assets focus on controlling costs while operating sustainably



Blending & optimisation

- Our marketing teams source diverse physical commodities from our own production and from third parties; they sell these with value-added services such as freight, insurance, financing and storage
- Access a broad spectrum of commodities in different grades and specifications to meet customer requirements



Financial profile

- We have a long track-record of value creation across economic cycles. We use hedging strategies to protect against price risks, meaning that a material portion of our earnings is less correlated to commodity prices. This ensures that our marketing profitability is primarily determined by volume activity conditions and value-added services, rather than absolute price



Explore, acquire & develop

- Our focus on brownfield sites and exploration close to existing assets lowers our risk profile and lets us use existing infrastructure, realise synergies and control costs
- We evaluate each industrial investment opportunity on a standalone basis and on its potential to strengthen our marketing activities or existing industrial assets



Processing & refinement

- Our expertise and technology advantage in processing and refining activities enable us to optimise our end products for a wider customer base
- We purchase additional product as required from third parties, for smelting, refining and blending



Logistics & delivery

- We have a worldwide network of storage and logistics assets in key strategic locations, including metal warehouses accredited by the LME, and many oil and grain storage facilities
- Flexibility to implement blending strategies and manage product delivery in line with contractual quality requirements
- Our value-added services make us a preferred counterparty and strengthen our long-term relationships

Our business model: marketing

We have more than 90 offices in over 50 countries across the globe. Our marketing activities source a diversified range of physical commodities from third-party suppliers and industrial assets in which we have full or part ownership.

Our commodities are sold, often with value-added services such as freight, insurance, financing or storage, to a broad range of consumers and industrial commodity end users. Our customer base is highly diversified and contains a high proportion of long-term commercial relationships.

We focus on maximising fee-like returns from the entire marketing process, taking into account our extensive global third-party supply base, our logistics, risk management and working capital financing capabilities, extensive market insight, business optionality, extensive customer base, strong market position and penetration in most commodities, as well as economies of scale.

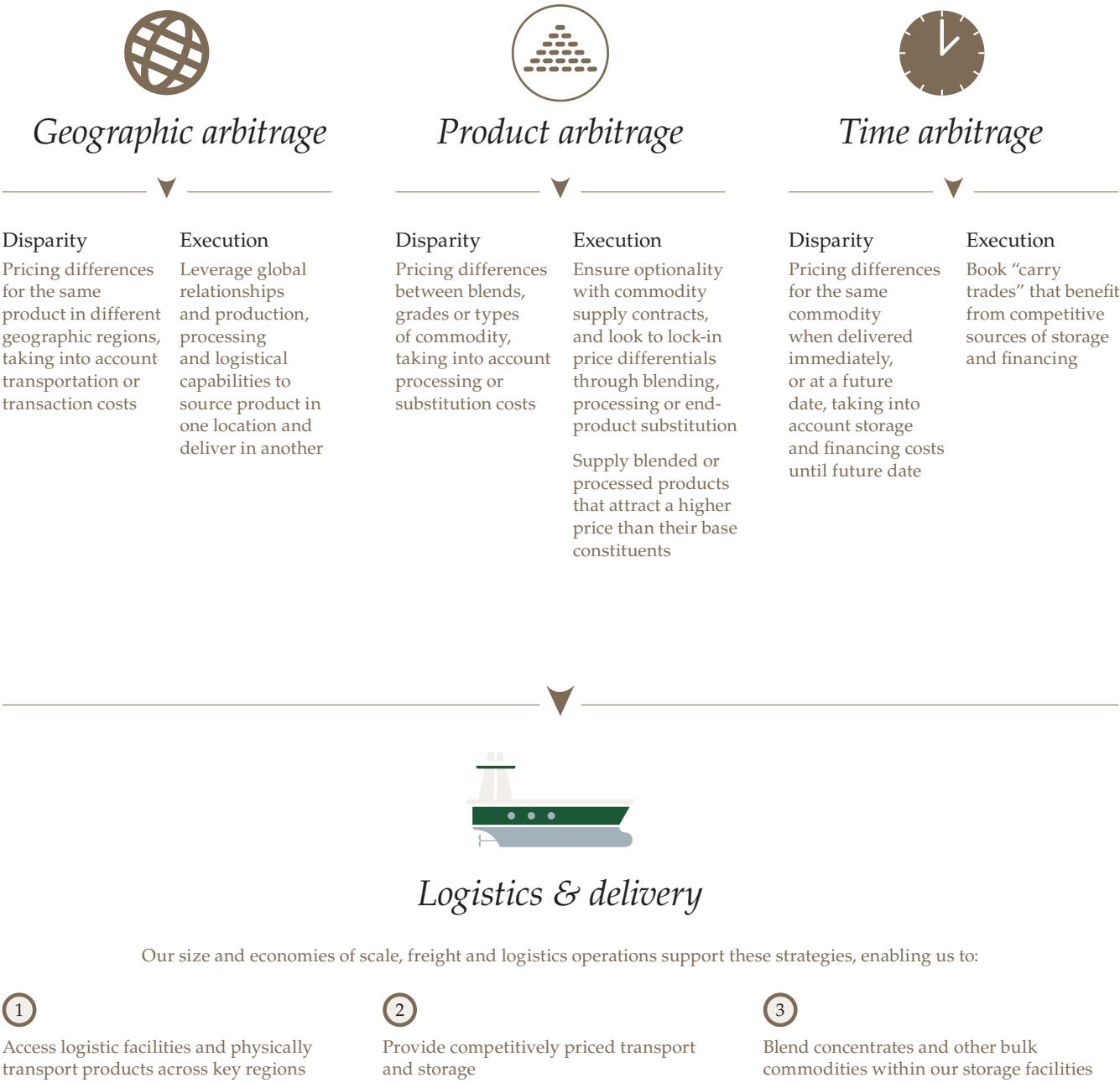
In addition, many of the physical commodity markets in which we operate are fragmented or periodically volatile. As a result, price discrepancies often occur between the prices at which commodities can be bought or sold in different geographic locations or time periods. Other factors include freight and product quality. These pricing discrepancies can present us with arbitrage opportunities that enable us to generate profit by sourcing, transporting, blending, storing or otherwise processing the relevant commodities. While the strategies used to generate such margin vary from commodity to commodity, the main opportunities can be generally described as:

- **Geographic arbitrage:** we leverage our relationships and production, processing and logistical capabilities to source physical commodities from one location and deliver them to another where such commodities can command a higher price (net of transport or other transaction costs)
- **Product arbitrage:** it is possible to blend particular commodities being marketed, such as the various crude oil products, coal or concentrates, to supply bespoke products which attract higher prices than their base constituents, or exploit existing and/or expected price differentials
- **Time arbitrage:** differences often arise between the price of a commodity to be delivered at a future date and the price of a commodity to be delivered immediately, where the available storage, financing and other related costs are less than the forward pricing difference

Any credit (including performance) risk in relation to suppliers and customers is mitigated through systematic application of measures such as credit insurance, letters of credit, security arrangements, or bank and corporate guarantees. We also leverage our network of global offices, which have direct access to, and keep close relationships with, our customers and suppliers.

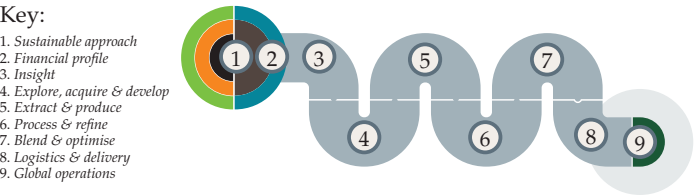
Our marketing teams also manage Glencore’s market exposure, via the reduction of price risks arising from timing differences between the purchase and sale of commodities, to acceptably low levels. Comprehensive risk management systems and procedures established over the past 40 years are in place to monitor these activities. Similarly, we have extensive compliance policies and procedures in place, and use third-party screening software systems to manage compliance with sanctions and other regulations.

Glencore operates in markets which are fragmented and periodically volatile, which results in price differentials that Glencore is able to benefit from due to its capabilities across the value chain.



Our strategy

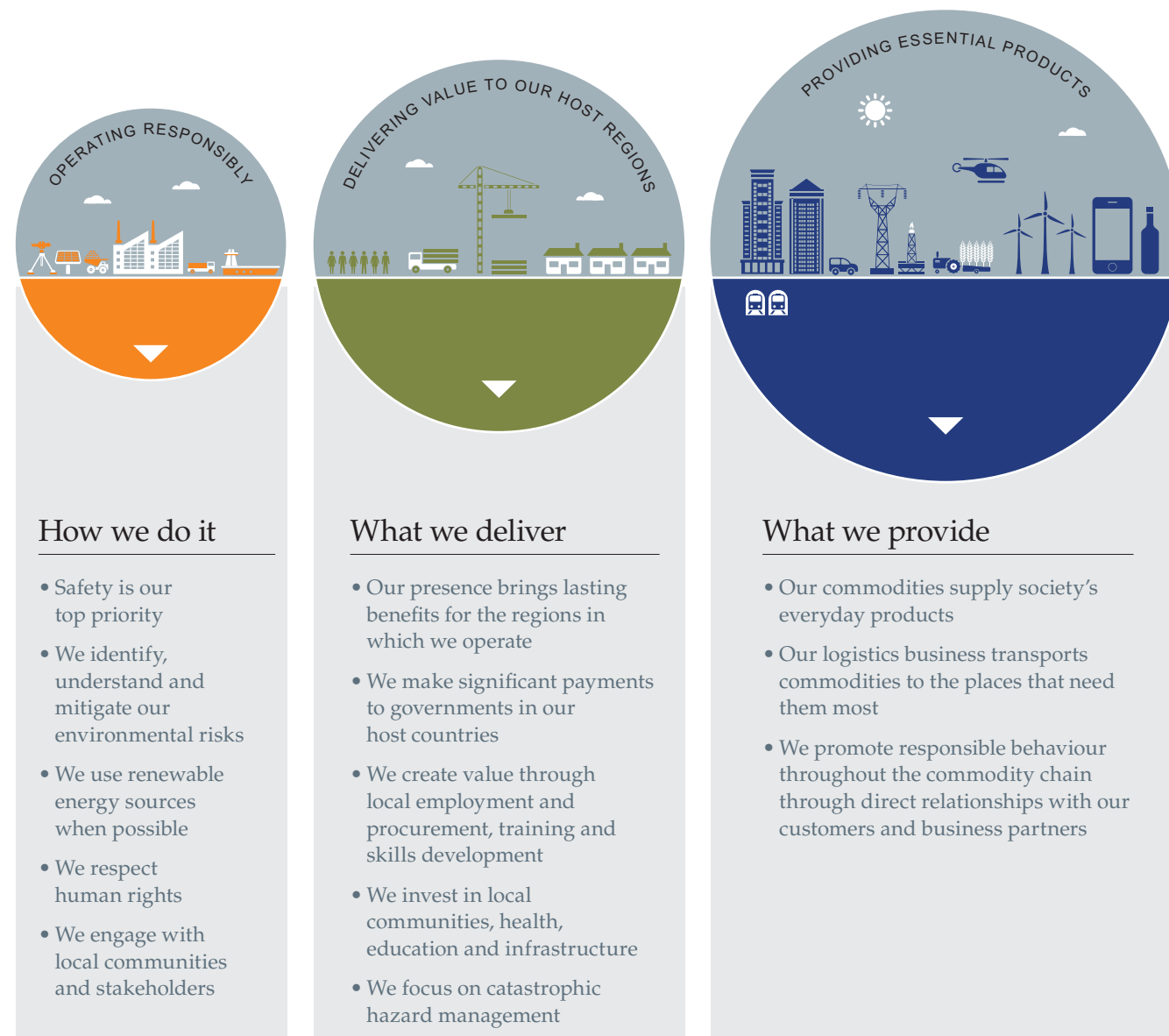
Description	Strategic objectives	Key highlights in 2014	Priorities going forward	Key performance indicators	Risks	Business model reference
Integration of sustainability throughout the business	Continuously improve our standards of health, safety and environmental performance, and be viewed as a responsible partner within the communities in which we operate. Develop and strengthen relationships with all our stakeholders.	<ul style="list-style-type: none">Rollout of SafeWork initiative to key high risk operations in the Democratic Republic of Congo, Zambia, Bolivia, Kazakhstan and the Ukraine; 118,000 employees received trainingContinued progress towards zero fatalities (16 in 2014, 26 in 2013)Continued improvement in lost time injury frequency rate (LTIFR) to 1.58 per million hours in 2014 (1.87 in 2013)Zero major or catastrophic environmental incidents\$114 million spent on community investments	<ul style="list-style-type: none">Completion of SafeWork rollout for all employeesZero fatalitiesContinue reduction in our LTIFRContinue to report zero major or catastrophic environmental incidentsContinued engagement with, and investment in, the communities in the regions where we operate	<ul style="list-style-type: none">Zero fatalitiesLTIFR, TRIFRMajor/catastrophic environmental incidentsCommunity investments	<ul style="list-style-type: none">Sustainable development risks	
Maintain conservative financial profile and strong BBB/Baa investment grade ratings	Maintain a strong and flexible capital structure, capable of supporting growth and shareholder returns and providing continued access to bank and international debt capital markets on competitive terms	<ul style="list-style-type: none">Issued USD, EUR, CHF and AUD bonds totalling \$5.3bnRenewed multi-tranche committed revolving credit bank facilities totalling \$15.3bnCredit rating reaffirmed at BBB/Baa2Committed available liquidity of \$9.4bn	<ul style="list-style-type: none">Ensure strong liquidity position is maintained through continued access to global bond and bank marketsExtend and renew Group bank facilities on competitive terms, as appropriateMaintain commitment to strong BBB/Baa investment grade credit rating	<ul style="list-style-type: none">Strong BBB/Baa targetAdjusted EBIT/EBITDAFunds from operationsFFO to net debt	<ul style="list-style-type: none">External risksBusiness activities risksSustainable development risks	
Focus on cost control and operating efficiencies	Increase the net present value of our business by improving the competitiveness of our assets through an ongoing focus on cost management and logistical capabilities, including operating safely and efficiently	<ul style="list-style-type: none">Realisation of Xstrata integration synergies of \$2.4bn p.a.Continued progress with the completion and commissioning of legacy growth programmes (e.g. Ernest Henry Mine)First quartile cost positions being achieved through higher volumes of lower cost production; further improvements expectedAustralian coal operations suspended for three weeks at the end of December, given market oversupply; output reduced by 5mt	<ul style="list-style-type: none">Ongoing focus on improving the quality of assets through year-on-year cost reductions, mine life extensions and productivity and safety improvementsFocus on sourcing competitively priced physical commodities from reliable third-party suppliers	<ul style="list-style-type: none">Adjusted EBIT/EBITDAFunds from operationsFFO to net debtNet income	<ul style="list-style-type: none">External risksBusiness activities risksSustainable development risks	
Capitalise on investments in industrial assets	Evaluate investments for acquisitions, development and disposal, particularly when assets no longer support core business and/or attractive selling opportunities arise	<ul style="list-style-type: none">Sale of Las Bambas copper project in Peru to meet MOFCOM requirement for Xstrata acquisitionSale of the Frieda River copper project in Papua New GuineaRamp up of Mutanda copper asset in the Democratic Republic of Congo achieved on time and within budgetReview/slow-down of Askaf iron ore project in Mauritania, in light of declining iron ore pricesAcquisition of Zhairinsky in Kazakhstan, adding lead-zinc-silver to Kazzinc's mineral resource base	<ul style="list-style-type: none">Ongoing evaluation of existing operations, processes and new opportunities in an effort to achieve industry-leading returns on capitalRamp up at Katanga, McArthur River and Mount Isa zinc expansionsRamp up of the challenging Koniambo nickel project; finalise investigation into, and recovery from, the metal leak of December 2014Sale of Sinclair nickel mine (subject to approvals)Exit/sale of non-core platinum business	<ul style="list-style-type: none">Adjusted EBIT/EBITDAFunds from operationsFFO to net debtNet income	<ul style="list-style-type: none">External risksBusiness activities risks	
Capitalise on marketing opportunities/activities	Recognise opportunities through our extensive industry insight and unrivalled market intelligence. Provide a superior service to customers and a reliable supply of quality product	<ul style="list-style-type: none">Marketing contribution/synergies from Xstrata and Viterra acquisitions rebased the EBIT range from \$2bn-\$3bn to \$2.7bn-\$3.7bn p.a.Growing base of strategically located logistics infrastructure provides global distribution capabilitiesAgreed JV with ADM in Brazilian Portos do Pará, strategically located to serve the Brazilian agricultural sector	<ul style="list-style-type: none">Continue to leverage our capability to realise value at each stage of the commodity supply chainOngoing evaluation of commodities' flows and market changes to maximise product and geographical arbitrage	<ul style="list-style-type: none">Adjusted EBIT/EBITDAFunds from operationsFFO to net debtNet income	<ul style="list-style-type: none">External risksBusiness activities risks	
Leverage geographic scope and diversification of our operations	Target opportunities in geographies where we currently operate and expand further in traditional and emerging markets	<ul style="list-style-type: none">Acquisition of 50.1% stake in Clermont coal mine in Australia, in partnership with SumitomoAcquisition of Caracal Energy, an oil exploration and development company with operations in the Republic of Chad	<ul style="list-style-type: none">Maintain a disciplined approach towards acquisitions and disposals, including the exit/sale of our non-core platinum businessOngoing review of project portfolio	<ul style="list-style-type: none">Adjusted EBIT/EBITDAFunds from operationsFFO to net debtNet income	<ul style="list-style-type: none">External risksBusiness activities risksSustainable development risks	
Additional information	www.glencore.com/investors	Further details on our performance can be found in our 2014 Annual Report's Financial and Business review sections		Further details on our KPI performance can be found in our 2014 Annual Report on pages 22 to 25	Further details on our risks can be found in our 2014 Annual Report on pages 26 to 33	



Our sustainability strategy

We are committed to operating transparently and responsibly. Our values and Code of Conduct lay out our approach to sustainability and embody our expectations of our people and our business partners. Our policies and procedures support good business practice and we meet or exceed applicable laws and external requirements.

We address the actual and potential impact of our activities



Sustainability framework

Glencore Corporate Practice (GCP) is our sustainability management system. It consists of three tiers: our values, our Code of Conduct and our Group HSEC policies. It is supported at the operational level by individual policies pertaining to local risks.

GLENCORE
Corporate Practice ●●●●●

Our values reflect our purpose, our priorities and the fundamental beliefs by which we conduct ourselves. They define what it means to work at Glencore, regardless of location or role. The essential requirements derived from these values are defined in our Code of Conduct, which sets out the standards we require our people to meet and fully understand. Departments and assets decide the best way to convey the Code locally and determine which of our people participate in training on the subject.

Our Group HSEC policies detail our management processes and procedures, which are integrated into corporate decision-making processes. These include our HSEC Management Framework, Risk Management Framework and HSEC Assurance Policy. In addition there are specific policies for:

- Health and safety
- Crisis management and emergency preparedness
- Management of catastrophic and fatal hazards
- Environmental management
- Communities and stakeholder engagement
- Human rights
- Product stewardship

These Group policies were harmonised with International Council of Mining & Metals (ICMM) principles as part of our application for membership (see page 20). They were finalised in March 2014, after which all operations undertook gap analyses, comparing the new requirements with what was already in place, with a target completion date of December 2014. They now have until the end of 2015 to substantially implement the policies.

We monitor our HSEC performance using a Group database. This was rolled out across our assets in 2013, with 2014 its first full year of use.

Risk management

Risk management underlies all our activities. This approach is supported by our relatively flat organisational structure, centralised risk management information systems and our Group

policies, which help us to mitigate and manage sustainability risks. The Group risk management framework also helps identify and manage materiality considerations.

The Board HSEC Committee has requested implementation of processes to assure that catastrophic hazards are identified and well managed. This includes:

- Catastrophic hazard registers for each commodity department
- Identification of the related risks and critical controls
- Establishment of testing and inspection schedules for critical controls
- Establishment of critical control verification and reporting, including regular reporting to the HSEC Committee of any failures in critical controls

In 2014, we added Glencore Risk Manager to the list of solutions available to our assets. This is an online database that enables our people to record risks in detail, then analyse and assign actions to them. It is available throughout the Group; currently we are using it to categorise and report catastrophic hazards.

In line with our Crisis Management and Preparedness Policy, most of our assets and corporate offices have developed crisis management procedures that are regularly tested.

Assurance programme

Our new Group HSEC assurance process has two levels; assurance takes place on the commodity department or asset level, with complimentary activities at Group level.

Asset level assurance

Each department or asset has developed and conducts its own risk assessment process, considering internal and external stakeholder input and reflecting material risk registers. From that process it develops an assurance plan to ensure it regularly assesses material risks and its compliance with the Code of Conduct and Group and operational policies. The plan is approved by the HSEC Committee.

Sustainability framework *continued...*

Assurance activities are led by the departments or by the Group sustainability team. The teams carrying out assessment comprise experienced managers and subject matter experts.

Group level assurance

At Group level, the Group sustainability team conducted a risk assessment that included input from the Board and other internal and external stakeholders, recent material incidents and catastrophic hazards. From this, we have developed an assurance plan to ensure annual assessment of material risks and compliance with the Code of Conduct and Group policies. This is developed in collaboration with the sustainability leads for each department, to ensure that their assurance activities are aligned and complementary. The plan is reviewed and approved by the Board. Assurance activities are led by the Group sustainability team and appropriate subject matter experts, in conjunction with department and asset HSEC leads.

2015 will be the first year in which HSEC assurance will be conducted in line with our HSEC Management Framework and Assurance Policy. Assessments have been scheduled across all departments, focusing on catastrophic and material HSEC risks. The assurance report will be submitted to the HSEC Board Committee in December 2015.

In addition, operations will provide internal assurance by conducting first and second-party self-assessments on the fatal hazard protocols from our SafeWork initiative, as well as implementation of and compliance with the Group HSEC policies.

Sustainability governance

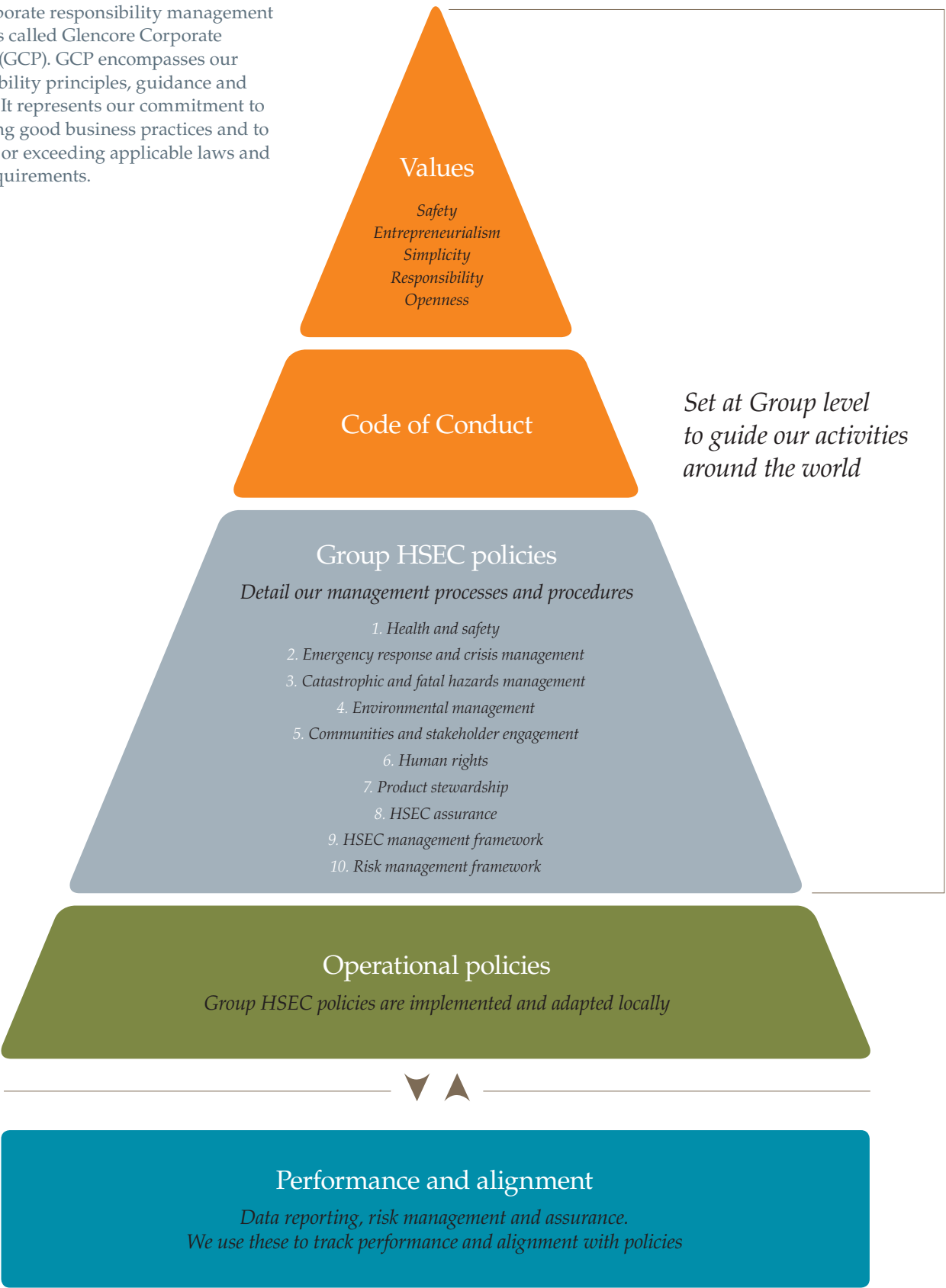
Our Board HSEC Committee sets our strategic direction for sustainability activities:

- Comprised of four individuals, including our Chairman and Chief Executive Officer (CEO); chaired by a non-executive director
 - Oversees development and implementation of strategic HSEC programmes
- In the event of a fatality or serious incident, receives detailed reports from management of the relevant operation on the event, actions taken and investigations
 - Meets during each Board meeting to review progress in the delivery of Group HSEC strategy, our dashboard of key performance indicators (KPIs), significant HSEC issues and material HSEC risks, and examine serious incidents

The Group sustainability team provides guidance and thought leadership:

- Develops and implements HSEC policies and improvement programmes, HSEC assurance and sustainability aspects of the Code of Conduct
- Focuses on catastrophic and fatal hazards management
- Identifies relevant HSEC trends
- Analyses stakeholders’ perceptions and understanding of the company
- Records and reports progress against KPIs

Our corporate responsibility management system is called Glencore Corporate Practice (GCP). GCP encompasses our sustainability principles, guidance and policies. It represents our commitment to upholding good business practices and to meeting or exceeding applicable laws and other requirements.



Compliance

Our primary objective is to ensure that we maintain a culture of ethical behaviour and compliance throughout the Group, rather than simply performing the minimum required by laws and regulations.

To support this, we have implemented a compliance programme that includes a wide range of policies, manuals and guidelines. These are developed by our Business Ethics Committee and implemented by the compliance departments in our operations, together with the business.

Our permanent and temporary employees, directors and officers as well as contractors (where they are under a relevant contractual obligation) must, in addition to complying with applicable laws and regulations, comply with our Group compliance policies that apply to their duties. Our managers and supervisors are responsible for ensuring that our people understand and comply with these obligations. Local compliance co-ordinators support our employees in day-to-day business considerations.

Employees and contractors can read our compliance documentation either via our corporate intranet or the intranet of the specific operation at which they work. They can also obtain this information from their local compliance co-ordinator. Relevant employees must confirm their understanding and awareness of our compliance requirements in writing every year.

Specific operations may implement their own policies in addition to the Group policies. These would be designed to address their specific requirements, while being consistent with our statement of values and the principles set out by the Code of Conduct and Group policies.

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

The Business Ethics Committee

Our Business Ethics Committee (BEC) is comprised of senior representatives from across our businesses and management, and two of our external counsel. It reports to the Board Audit Committee. The BEC develops and reviews our policies and principles on business ethics, including the prevention of bribery and corruption, and assists in their implementation. The BEC has delegated certain of its implementation-related tasks to a subcommittee of the BEC, the business ethics officers at Glencore's main regional offices, and local compliance departments. The BEC subcommittee is comprised of a smaller subset of BEC members, has the possibility of meeting on an ad hoc basis, and reports to the BEC. The BEC meets at least two times per year and the BEC subcommittee meets at least four times per year.

At the operational level, a compliance co-ordinator is designated for each of our operations to implement our compliance programme. These compliance co-ordinators are given guidance by the compliance departments.

PACI

Glencore became a member of the Partnering Against Corruption Initiative in 2014

Below: Monitoring coal in Colombia



Bribery and corruption

Bribery is a criminal act in most countries, and penalties are severe. We conduct continuous analysis for corruption risks within our businesses, with our corporate compliance and internal audit functions being brought in if necessary.

Glencore's Global Anti-Corruption Policy is available on our corporate website and includes our clear position on bribery and corruption, which is that offering, paying, authorising, soliciting or accepting bribes is unacceptable. In the study *Transparency in Corporate Reporting – UK* released in November 2014 by Transparency International, Glencore received 92% in the category of transparency in reporting of its anti-corruption programme.

In 2014, Glencore became a member of the Partnering Against Corruption Initiative (PACI) in which members collaborate on collective action initiatives and share best practices in organisational compliance. The Initiative is based on a commitment to zero-tolerance towards bribery and a commitment to implement a practical and effective anti-corruption programme.

Training

In 2014, 19,622 employees and contractors in administrative and supervisory functions took part in eLearning training on our Code of Conduct, which includes policies on anti-corruption and guidelines on how to raise concerns. The majority of our people receive more traditional forms of training on this subject, including induction sessions, general training and toolbox talks. In addition, 126 marketing employees in key functions took part in specialised anti-corruption training prepared by Glencore and external consultants.

Within our marketing operations, employees receive induction and ongoing training on sanctions, the prevention of bribery and corrupt payments, anti-money laundering, anti-trust, confidential information and conflicts of interest. Industrial operations carry out their own training programmes, designed to address their specific requirements while being consistent with our statement of values, the Code of Conduct and Group policies.

Reporting misconduct

If one of our people encounters a situation in which the Code of Conduct or its underlying policies appear to be breached, the individual must raise this promptly with his or her immediate supervisor or manager. Alternatively, that individual may raise the concern with another appropriate manager, local compliance co-ordinator, a business ethics officer or another member of the BEC. The BEC includes representatives from our external legal advisers, to whom misconduct can be reported independently.

Where a concern remains unresolved through local channels, it can be referred to one of the Group channels for raising concerns. An individual with access to the internet can send an email to CodeofConduct@glencore.com, or use the Raising Concerns form available on the Group website at www.glencore.com/raising-concerns. The second option allows a concern to be raised on an anonymous basis. We recognise that in some of our operating countries less than half of the population has internet access. In these countries, there are telephone numbers for raising concerns, which are made known to our people via notice boards. Calls to these numbers are free and are routed to a regional compliance contact who speaks the local language. The caller may choose to raise their concern anonymously. We are of the view that the Raising Concerns programme is accessible by substantially all of our permanent and temporary employees, directors and officers, as well as contractors. Nobody working for Glencore will suffer demotion, penalty or other disciplinary action for raising a concern in good faith.

In accordance with the Code of Conduct, anybody working for Glencore who breaches the law, the Code of Conduct or other policies and procedures may face disciplinary action that could include dismissal. In 2014, 378 employees were dismissed for breaching the Code of Conduct. The dismissals were predominately related to failures to follow safety instructions or policies, or misappropriation of company property.

Glencore is of the view that, in the context of the Group as a whole, there were no material breaches of any applicable laws or regulations during 2014.

Our commitments

Measuring performance against our priorities

Continuous improvement of our assets and operational performance, including sustainability, is a core element of our approach to business.

From our strategic objectives, we set sustainable development targets to drive improvements in Group performance over the medium to long term. The objectives are informed by our materiality assessment and linked to major focus areas and KPIs, plus key risks and opportunities for improvement across our business.

Performance against these targets is monitored carefully as an integral part of our sustainable development management framework.

Key

- Achieved
- On track
- Not achieved

Commitment	2014 target		Results	2015 target	Find out more
Continual improvement to GCP framework	• Implement Group HSEC policies and verify via internal assurance programme	→	• On track; self-assessments completed • Additional Product Stewardship Policy developed and rolled out	• Substantial implementation by the end of 2015 • Launch revised Code of Conduct • 14 Group assurance reviews on material and catastrophic HSEC risks across every department in the Group	pp. 13–14
	• Conduct material assurance pilots in line with the HSEC Assurance Policy	→	• On track: 2015 assurance cycle approved by Board		
	• Implement procedures to allow first full assurance cycle in 2015	✓	• Completed		
Health & safety	• Zero fatalities	✗	• 16 fatalities (compared to 26 in 2013)	• Zero fatalities • Further 15% reduction of Group LTIFR against 2010 baseline of 2.74 (in line with 50% reduction to be achieved by 2016) • 15% reduction in Group TRIFR against 2014 baseline of 5.89 (in line with 50% reduction to be achieved by 2020) • Zero new occupational diseases from current exposures • Zero workers with lead/cadmium levels above established/ legal limits	pp. 30–37
	• 50% reduction of Group LTIFR by 2016, taking 2010 figures as a baseline	→	• Group LTIFR of 1.58 in 2014, down from 2.74 in 2010: a 42% improvement		
	• Zero new occupational diseases from current exposure	✗	• Not achieved; currently developing a Group health strategy to ensure consistent practice		
	• Continue to support major public health initiatives, e.g. HIV/AIDS, TB, malaria, in regions with material community health concerns	✓	• Ongoing, with a particular focus in South Africa, Zambia and DRC		
	• Develop local reporting of appropriate indicators in regions with material public health risks	→	• Reviewed during development of the social value creation scorecard		
Our people	• Establish partnerships with top universities in the countries where we operate	✓	• Established “introduction to Glencore” sessions at some regional offices	• Launch eLearning platform for new hires and training our existing workers, on topics including compliance, IT security, Code of Conduct, etc. • Build on the success of current graduate trainee programmes and continue to develop divisional leadership training • Ensure that this is approached consistently across all regions and continue to develop new ways to attract and retain talented people regardless of age, gender or race	pp. 38–43
	• Establish Group management training programme for senior and operational managers	✓	• Established a trainee recruiting process • Evaluated development programmes; pilot rolled out in late 2014		
	• Review our approach to diversity in the workplace	✓	• Included a requirement in Group policy that career support and progression is provided to our best performers, regardless of age, gender or race		
Community	• Continue to spend at least 1% of annual Group profits before tax on community investment	✓	• \$114 million spent during 2014 (2.2% of Group profits before tax)	• Spend at least 1% of profit before tax on community investment • Establish partnerships to strengthen project delivery on the ground • Operations to conduct independent perception surveys every three years	pp. 44–51
Human rights	• Achieve corporate membership of plenary group for Voluntary Principles on Security and Human Rights	✓	• Achieved in March 2015	• Support consistent training on Voluntary Principles across Group • Review approach to grievance handling against the UN Guiding Principles for Business and Human Rights	pp. 52–56
	• Integrate Voluntary Principles into guidance documents for security framework and risk assessment	✓	• Completed		
Environment	• No major or catastrophic environmental incidents	✓	• Achieved	• No major or catastrophic environmental incidents • Align water use metrics and launch water balance tool • Develop action plan based on assessment of tailings storage facilities	pp. 58–67
	• Develop a Group water management strategy	→	• On track		
Product stewardship	• Register substances produced/imported in low volumes with REACH (deadline 2018)	→	• Preparation for registration is proceeding to schedule	• Assess Korean REACH obligations and prepare for action to ensure compliance • Review of safety datasheets to keep them up to date • Ensure our mixtures are classified in accordance with EU regulations on classification, labelling and packaging of substances and mixtures before 1 June 2015 • Launch a product stewardship strategy	pp. 68–73
	• Assess feasibility of expanding automated safety datasheet system globally	→	• Feasibility study concluded; decided to first monitor, review and improve current system before expansion		
	• Develop a Product Stewardship Policy	✓	• Policy completed and distributed to departments		

International standards

We align our activities with the relevant international standards. In 2014 we signed up to the United Nations Global Compact, a set of ten principles covering human rights, labour, environment and anti-corruption known as the UNGPs.

In 2014 we were admitted to the International Council on Mining & Metals (ICMM). Members endorse the ICMM sustainable development framework, which consists of ten principles.

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

We also deal with specific issues in accordance with the relevant international frameworks. These include the Core Conventions of the International Labour Organization (ILO), the UN Guiding Principles on Business and Human Rights, and the Extractive Industries Transparency Initiative (EITI). There are further details in the chapters about our people, society and human rights.

Our performance against the UNGPs and ICMM principles is documented in the GRI databook in Appendix 1: Databook and GRI references.

ICMM principles	
1.	Implement and maintain ethical business practices and sound systems of corporate governance.
2.	Integrate sustainable development considerations within the corporate decision-making process.
3.	Uphold fundamental human rights and respect cultures, customs and values in dealings with employees and others who are affected by our activities.
4.	Implement risk management strategies based on valid data and sound science.
5.	Seek continual improvement of our health and safety performance.
6.	Seek continual improvement of our environmental performance.
7.	Contribute to conservation of biodiversity and integrated approaches to land use planning.
8.	Facilitate and encourage responsible product design, use, re-use, recycling and disposal of our products.
9.	Contribute to the social, economic and institutional development of the communities in which we operate.
10.	Implement effective and transparent engagement, communication and independently verified reporting arrangements with our stakeholders.

The ICMM application process

ICMM application and review

In early 2014 we sought admission to the ICMM, an industry association dedicated to addressing the sustainability challenges facing the sector.

The ICMM follows a rigorous admission process; we were required to demonstrate how we understand and manage risk, and how sustainability management is integrated throughout our business. We also assessed how well our policies and systems were aligned to the ICMM sustainability framework. Finally, we developed an action plan to help us close any identified gaps.

The ICMM review, conducted by independent experts, included site visits and comprehensive interviews with our CEO, business heads and operational managers, to test their understanding of sustainability challenges and their commitment to addressing them. The review panel recommended our admission to the ICMM.

Findings and next steps

Drawing on interviews with more than 30 senior managers and a review of over 100 documents, we demonstrated that we already address the key aspects of the ICMM principles and position statements. The principal gaps identified were in formalising some policies and positions, site-level implementation, and consistency of practice across the Group. We developed an action plan to address this over the next two years, which was reviewed and agreed by the review panel and the ICMM. The key components of the plan and our progress are presented below.

Our Group sustainability team have worked in close collaboration with our operations and other departments to ensure a fully integrated approach to the action plan. Our progress is overseen by the Board HSEC Committee. Our disclosures in this report on our application of the ICMM sustainable development principles and position statements have been assured by Deloitte LLP as stated in their assurance statement on pages 134 and 135.

We are proud of achieving membership of the ICMM, and look forward to engaging with our peers to identify leading practices that will help us tackle the challenges for our sector.

Implementation of HSEC policies and supporting framework

Action	Progress
Site-based gap assessment of existing practices followed by action plans for closing gaps	<ul style="list-style-type: none">Gap assessment largely completed in 2014Key gaps to be addressed locally, by development of additional Group guidance, and through the HSEC assurance process
Development of a fatal register (including societal and human rights risks at our operations and mitigating actions)	<ul style="list-style-type: none">Register completed and incorporated into Group risk management systems2015 will focus on identifying and undertaking mitigating actions
Implementation of the SafeWork initiative to address safety performance	<ul style="list-style-type: none">SafeWork initiative implemented and rolled out; see page 35 for details

Commitment to continuous improvement

Review Code of Conduct to align with HSEC policies and address stakeholder concerns	<ul style="list-style-type: none">New Code of Conduct developed and launched in early 2015
Development of additional HSEC policies and guidance; review of existing policies, particularly to address the relationship between the natural environment and the community	<ul style="list-style-type: none">Product Safety Policy developed and launched in 2014; development of a water strategy that addresses sharing water with host communities began in 2014 (see pages 62–63 and 71–72 for details)
Review of stakeholder engagement	<ul style="list-style-type: none">See pages 22–23 for an overview of our engagement with key stakeholder groupsFocus on identifying key NGOs for strategic partnerships to help strengthen our contribution on the ground and to challenge and engage in constructive dialogue regarding sustainabilityLaunch of social value creation scorecard to better understand our total socio-economic contribution
Review of climate change approach	See pages 66–67 for details

Implementation of HSEC assurance programme

Identification of material issues through pilots; rollout of full assurance cycle in 2015	See page 13 for details
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Stakeholder engagement

We need constructive relationships with our stakeholders to run our business. We listen to and work with others, to explore the challenges we face as a business.

Our stakeholders include our employees and contractors, host communities, civil society, unions, governments, business partners, investors and the media. We reach out to them on local, national, regional and international levels.

Healthy stakeholder engagement is central to our future and essential for maintaining our licence to operate. The geographies and markets in which we work are becoming ever more complex, making it even more important for us to listen to and address our stakeholders’ views. We maintain an open door policy, and welcome visits from stakeholders to help them better understand our approach and provide feedback.

Our engagement activities may be on a local, national, regional or international level. We hold regular face-to-face meetings, conference calls and participate in multi-stakeholder discussions. We participate in roundtables with government and other industry representatives to discuss new and amendments to existing legislation. We hold transparent negotiations with union officials to discuss wage and benefit agreements. Our employees receive regular briefings on health and safety matters, in particular on the key issues identified by our SafeWork initiative. Many of our assets hold regular open days, when local community members can visit our sites and interact with our operational teams.

These activities are complementary; together, they form part of our response to global business issues. The feedback we receive from our engagement activities has fed into our materiality assessment process and helped us to identify the issues that are of most importance to our stakeholders.

Workforce

Our people are critical to our success. We want a cohesive culture throughout Glencore, with everyone focused on the same goals. Our internal communications support a more efficient working environment, with effective collaboration. We recognise that individual assets often have close links with the surrounding regions; many employees are also members of our local communities. We are acutely aware of the impact our operational decisions have on our host communities. Whenever there are significant organisational changes – closures, acquisitions, mergers or divestitures – we consult, communicate and provide appropriate support to our people and local communities.

Key concerns in 2014: [safety, negotiations of workplace agreements, workforce reductions, industrial relations and potential site closures](#)

Communities

Our community liaison teams have well-established networks of contacts within local communities and decision-making authorities. They meet and engage with the communities around our operations, to share information about our business activities, key risks and control measures, and to help us understand their views. We adapt how we approach this depending on the operational and cultural environment; but it can include open-house sessions, formal engagements, meetings and face-to-face discussions. We have grievance mechanisms to address potential impacts on our host communities, as well as their concerns and requests.

Key concerns in 2014: [local infrastructure and development projects, environmental management and potential site closures](#)

Civil society

We engage with NGOs, think tanks and business associations that share our interests and concerns. These could be broad policy issues with a global or national reach, or local matters that affect the communities close to our operations. We welcome constructive feedback on our activities, and seek to engage with all our critics or, at the very least, respond publicly to their concerns to increase understanding. We are pleased to have formed a strategic partnership with CARE, a global NGO dedicated to poverty alleviation. This will allow us to strengthen our community development programmes and deliver lasting, positive change.

Key concerns in 2014: [public health, environmental management, infrastructure and development projects, tax payments, industrial relations, security and human rights](#)

Labour unions

We uphold our workers’ rights to freedom of association, to unionise and to collective representation, regardless of their location or duties. We are committed to working honestly and openly with labour unions at our operations and undertake negotiations in good faith. Unions play an active role in safety committees at many sites, and in regions impacted by HIV/AIDS, union representatives participate in health steering committees.

Key concerns in 2014: [safety, negotiations of workplace agreements, workforce reductions, industrial relations and potential site closures](#)

Government

Our activities are heavily regulated, and our operations are directly affected by evolving government legislation and policy. We have a legitimate role to play in presenting our views on key legislation, policy and issues, and in understanding government views and aims. We develop constructive relationships with national, regional and local governments in the countries where we operate, and maintain regular dialogue on all relevant issues. We may do this individually, collectively with other companies or organisations, or as part of an industry association. We foster public dialogue and contribute to the development of sound legislation in areas that affect our business. In all dealings with governments, we conduct ourselves according to the highest ethical standards. We do not, directly or indirectly, participate in party politics nor make payments to political parties or individual politicians.

Key concerns in 2014: [safety, environmental management, community development projects, tax payments and workforce reductions](#)

Business partners

Our marketing teams maintain very close relationships with our suppliers and partners. We regularly engage with them to understand their views, expectations and perspectives. We are also active in many product stewardship institutions, where we work to promote the safe use and handling of our products.

Key concerns in 2014: [procurement spend, potential site closures, product stewardship approach and bribery and corruption](#)

Customers

We are fully committed to providing an exceptional level of service to our customers. We research the health, environmental and societal impact of our products. We share our understanding of the qualities of our products and any associated risks with our customers. We help our customers implement their own material stewardship strategies by informing them of regulatory decision-making; this helps minimise risk to human health and the environment.

Key concerns in 2014: [product stewardship, human rights](#)

Investors

We actively engage with our investors through regular communication, one-on-one meetings, roadshows and Q&A sessions.

Key concerns in 2014: [financial performance, integration of sustainability, tax payments, climate change, safety and human rights](#)

Media

We engage with the media on topics of public interest.

Key concerns in 2014: [safety, environmental management, industrial relations, tax payments and potential site closures](#)

Focusing on the issues that matter

In 2014, we revised our approach to understanding which issues are material to Glencore. We supplemented our internal assessment from our risk management processes and input from our sustainability professionals, with the external perspectives of governments, the media, our investors and NGOs.

The external perspectives we canvassed included:

- Local community engagement programmes, from community information sessions and attitude surveys to individual meetings
- Multi-stakeholder forums with local community groups, regional authorities and other stakeholders
- Complaints from our host communities
- Concerns raised during licence approval processes
- Dialogues with local and global NGOs
- Government policy and regulation developments, plus emerging regional HSEC trends
- Engagement with a wide range of industry bodies and trade associations
- Assessment of key media coverage
- Investor meetings, including socially responsible investors

Typical internal sources included:

- Output from our risk management processes
- Our Group HSEC policies and Code of Conduct
- Input from our local sustainability leads’ work with local communities, employees, customers, NGOs and the media
- Analyses from environment and community risk assessment processes
- Feedback from assets on significant issues that affect them

Health & safety



The health and safety of our people is our top priority. A safe operation is a productive operation. We believe a zero-harm environment is achievable, and that fatalities, occupational diseases and injuries are preventable. Scrutiny by regulators means poor safety performance can lead to site shutdowns and affect our licence to operate. Safe workplaces result from a strong safety commitment by our management and workforce.

Local communities



We interact with many diverse communities around the world. We actively seek broad-based, ongoing support from our local communities as part of our licence to operate. We engage with communities through regular dialogue and work closely with them to maximise the value our business creates for them.

Our people



Our people are our greatest asset; our success relies on the ability to attract and retain the best talent at every level. We recognise and uphold the rights of our people to a safe workplace, freedom of association, collective representation, just compensation, job security and development opportunities. We prohibit child, forced, or compulsory labour. We are committed to working honestly and openly with labour unions across the Group.

Waste & effluents



Our operations generate significant amounts of waste, most of which is mineral waste, including rock, tailings (residues of mineral processing) and slag. We use as much waste rock as possible to backfill areas we have finished mining. Tailings are deposited in special dams; maintaining the integrity of our tailings dams is one of the most important tasks at each operation, as failure can lead to catastrophic results.

Air quality



Our operations can affect air quality in various ways. The blasting, excavating, moving and crushing of ore rock, and the removal of waste rock, create dust. Our metallurgical smelters emit sulphur dioxide, nitrogen oxides and dust. Land-based mobile machinery and transportation businesses also create emissions. Our emission control technologies, management and protocols set operating requirements and reflect regulatory standards.

Climate change



We recognise that climate change issues are part of the political, societal and regulatory landscape. Wherever we operate, we seek to optimise our energy and carbon footprint. We work to mitigate the physical impacts of climate change where we can and actively support development of low-emission technologies. We report our direct and indirect greenhouse gas emissions, which come from fuel and energy use, our coal mines, and use of purchased electricity.

Security & Human rights



Protection of human rights is a core consideration for Glencore. We are committed to protecting our people and operations, but recognise the potential for human rights infringements associated with security use. Our security practices are aligned with the Voluntary Principles on Security and Human Rights. We integrate the Voluntary Principles into general risk assessments, and provide specific training and performance monitoring. We actively engage with public security forces to promote respect for human rights.

Product stewardship



Our product stewardship activities allow us to deliver competitively priced goods and services that meet our customers’ needs, and provide them with the information necessary for safe handling, use and disposal. As a vertically integrated producer we carry out extraction, processing, freight, logistics, technology, storage and marketing. Good product stewardship is inherent to our value chain and an important element in compliance with regulation.

Indigenous people



Some of our operating regions are remote and have been inhabited by indigenous people for centuries. We recognise the unique role they play in global culture and respect their customs, interests and rights. Our operations implement formal agreements or policies to manage engagement with indigenous communities. We support the ICMM position statement on indigenous people and Free, Prior and Informed Consent.

Water



Water is essential to both our industrial and agricultural assets. A number of our assets are in regions where local water resources are scarce. We engage with other water users to develop water management plans in partnership. We look at how we can improve our water efficiency and increase water recycling and reuse. We ship petroleum products and crude oil, as well as vegetable oil, ores and concentrates, over maritime and inland water ways; we have rigorous inspection protocols in place to protect them.

Payments to governments

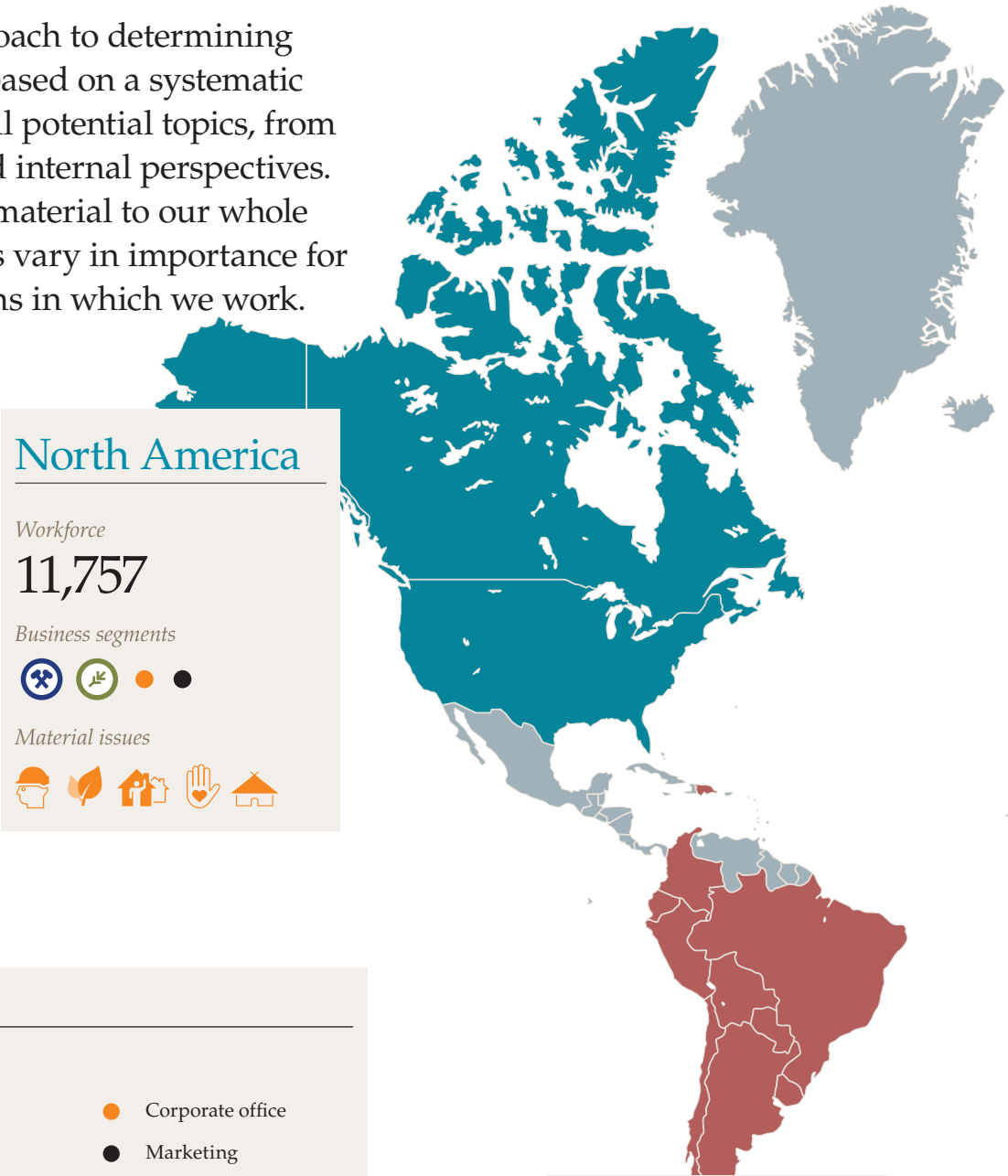


Taxes and royalties are direct annual contributions to our host governments. These payments often represent a significant source of income to the regions in question. Levels are determined by the relevant national, regional or local government in accordance with local laws and regulations. We engage with a variety of stakeholders on a range of tax-related issues, building and maintaining partnerships with tax authorities and working with them to address any disputes. We support increased transparency of redistribution/reinvestment of taxes and royalties and are active participants in the Extractive Industries Transparency Initiative (EITI).

Many of the issues identified here are common to our entire business. However, the diversity of our operations and their locations means that materiality varies from site to site. We capture this diversity in the following map and the overall structure of this report, where we seek to present our material issues, and our approaches to them, on a global and regional level.

The issues that matter on the ground

In 2014, our approach to determining materiality was based on a systematic examination of all potential topics, from both external and internal perspectives. Many topics are material to our whole Group, but others vary in importance for each of the regions in which we work.



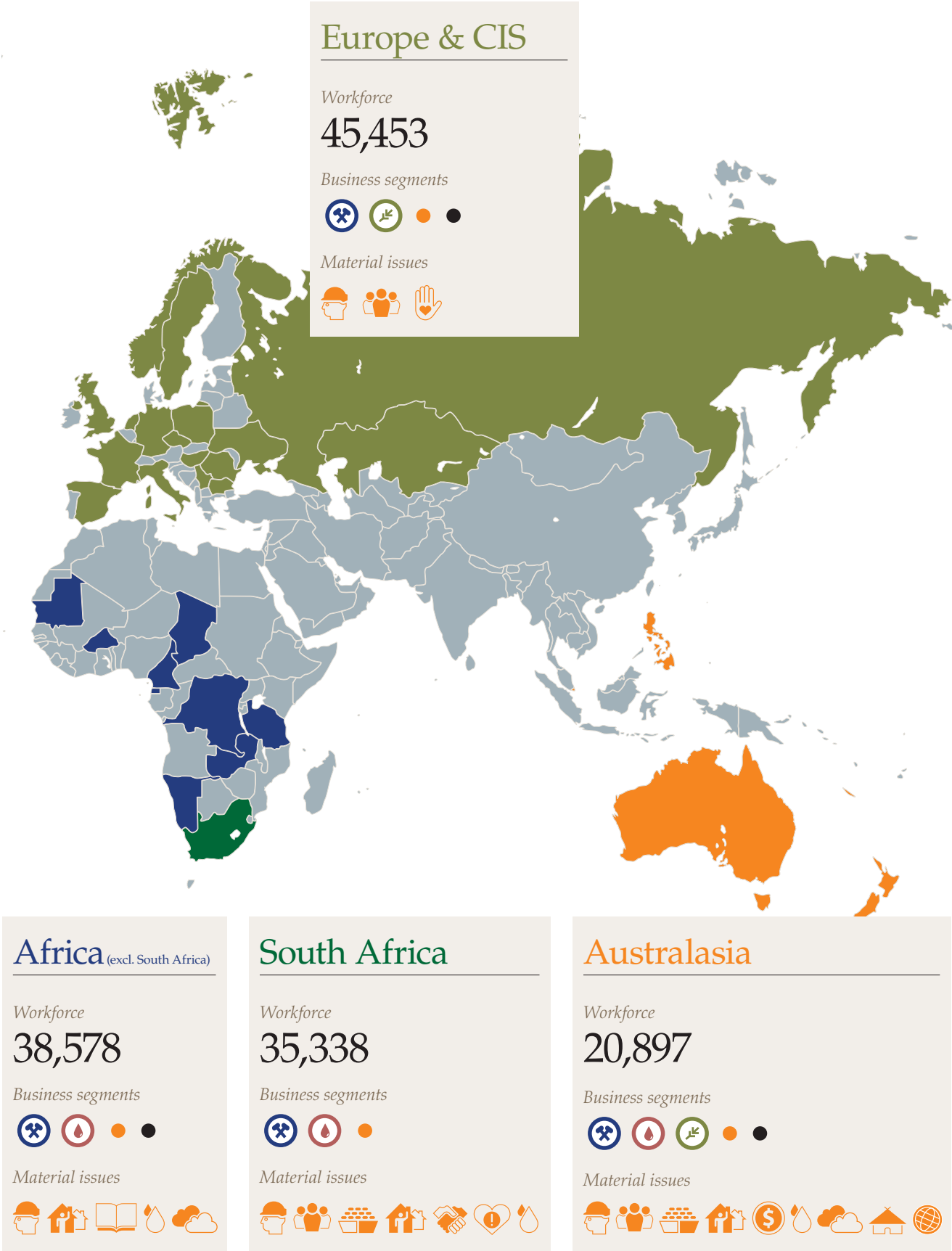
Key

Business segments

- Metals & Minerals
- Energy Products
- Agricultural Products
- Corporate office
- Marketing

Material issues

- Health & safety
- Air quality
- Indigenous people
- Waste & effluents
- Water
- Environment
- Local communities
- Product stewardship
- Our people
- Major health issues
- Tax
- Human rights
- Union relations
- Climate change



About this report

This is our fifth annual sustainability report. Last year's report described how we integrated the recently acquired Xstrata assets into our business. With the two companies now fully combined, we spent 2014 developing and rolling out an enhanced sustainability strategy to reflect the new Group.

This sustainability report complies with version 3.0 of the Global Reporting Initiative (GRI) G3 sustainability reporting guidelines, including the metals and mining sector supplement. See the GRI Index (Appendix 1: Databook and GRI references) for further details.

This report meets application level A+ of the GRI guidelines, with the self-declared GRI A+ level independently assured by Deloitte LLP (Appendix 2: Assurance statement).

As we are moving towards reporting against GRI G4 for next year's report, we have included a number of G4 disclosures this year, including our approach to determining materiality.

Boundaries and scope

This report includes information and data from our industrial and marketing activities, including only assets where we have operational control, and excluding investment, trading and holding companies.

The report contains data for the full year 2014. Acquisitions are only included if they were integrated before 1 July 2014. The acquisition of Caracal Energy plc was completed on 8 July 2014, and, as such, this asset's data is not included in this report.

During 2014 we disposed of the Las Bambas asset in July and the Frieda River asset in August. This report includes data from those assets until the month before disposal. Workforce numbers are the exception to this rule, as they are based upon the end of year status. As a result, this report does not include workforce data from assets that were disposed of in 2014 earlier than 31 December 2014.

Data and information

The data in this report is taken from Glencore's GCP reporting systems. The metrics in this report reflect those used in the commodity markets and sectors in which we operate and are primarily based on GRI indicators, including indicators from the GRI metals and mining sector supplement.

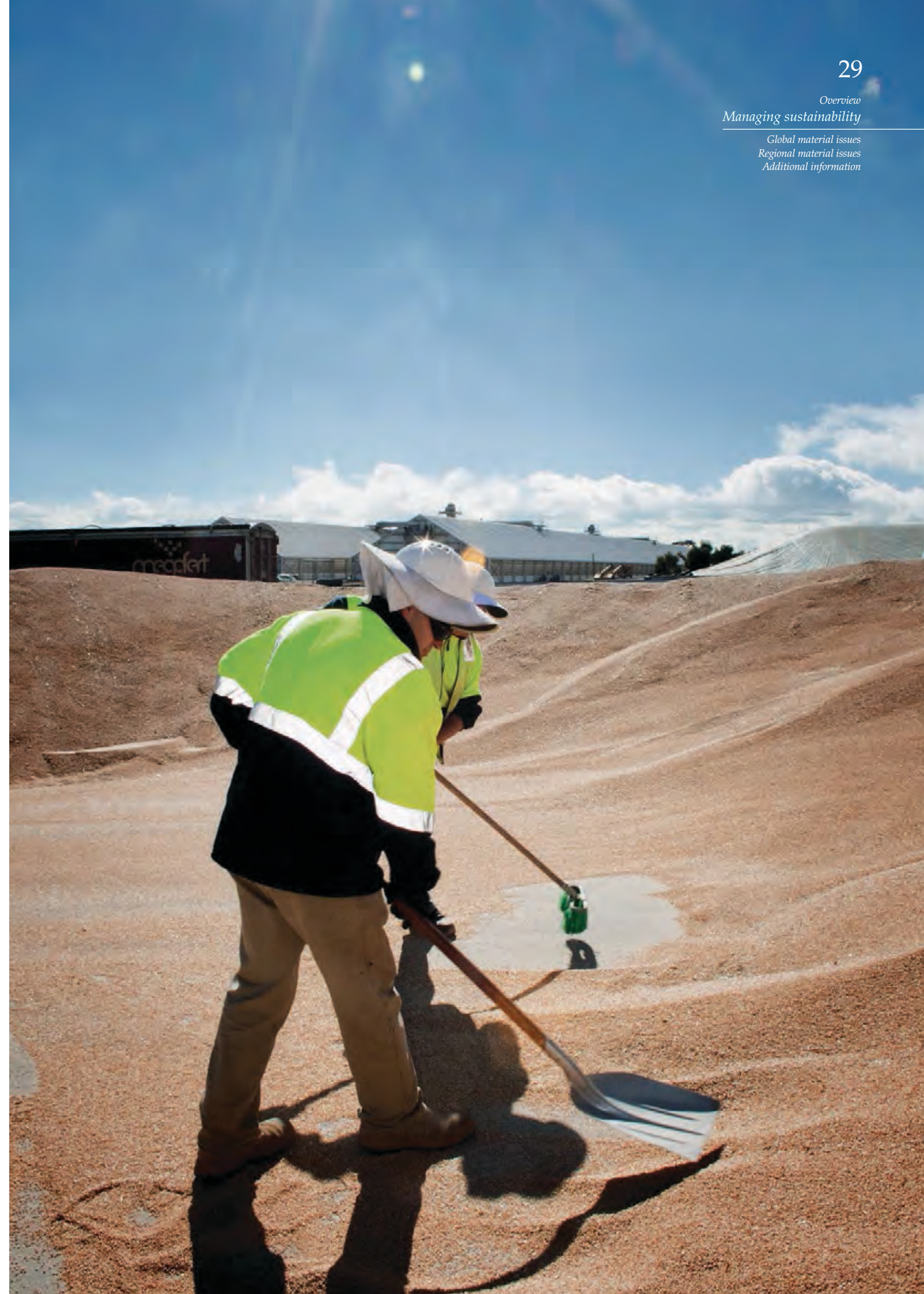
In some instances, prior years' figures have been restated to reflect improvements in our data collection, analysis and validation systems. These restatements are not remarked upon, but all figures stated in this report represent the latest available data.

Selected 2014 KPIs within this report were subject to limited assurance (see Appendix 2: Assurance statement) by Deloitte LLP. Where data for previous reporting years has been restated, Deloitte LLP has not undertaken additional work to review accuracy and completeness. No assurance is provided over restated data.

We may change our approach to how we report our data in future sustainability reports without prior announcement; we may also change the reporting of specific data and its interpretation.

Glencore made disclosures to the Dow Jones Sustainability Index, the CDP Climate Change program, and the CDP Water program in 2014.

*Right:
Working on the
harvest bunker at
Viterro Australia*



Health & safety



Our ambition is to become a safety leader, and to create a workplace without fatalities, injuries or occupational diseases.

The opportunity

Our main challenges are at a small number of our operations, which have suffered from a history of poor safety culture and practices. Our success depends on our ability to change this and improve safety performance.

Our ambition

To achieve strong safety and health performances at all our assets by resolving local challenges and transforming behaviour at all levels of the organisation.

“The health and safety of our people is our top priority.”

“Our positive safety culture empowers every single person to use their authority to stop work if they consider a workplace or situation unsafe.”

“Our approach is long-term and based on sharing the best practice found within the Group.”

2014 performance

16	1.58	5.89
<i>It is with great sadness that we report the deaths of 16 of our people in 2014</i>	<i>lost time injury frequency rate (LTIFR), down from 1.87 last year</i>	<i>total recordable injury frequency rate (TRIFR)</i>
118,000	91%	839
<i>of our people have had training on the fatal hazard protocols and life-saving behaviours</i>	<i>of our operations had no new cases of occupational diseases</i>	<i>new cases of occupational disease</i>

Key activities

The Chairman of our Board HSEC Committee hosted our first annual fatality prevention summit	Rollout of SafeWork initiative continued across the Group	Implementation of catastrophic hazard and critical control management
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Health & safety *continued...*

The health and safety of our people is our top priority. Our Group’s Board, CEO and senior management urge everyone who works for Glencore to share responsibility for maintaining a safe and healthy workplace.

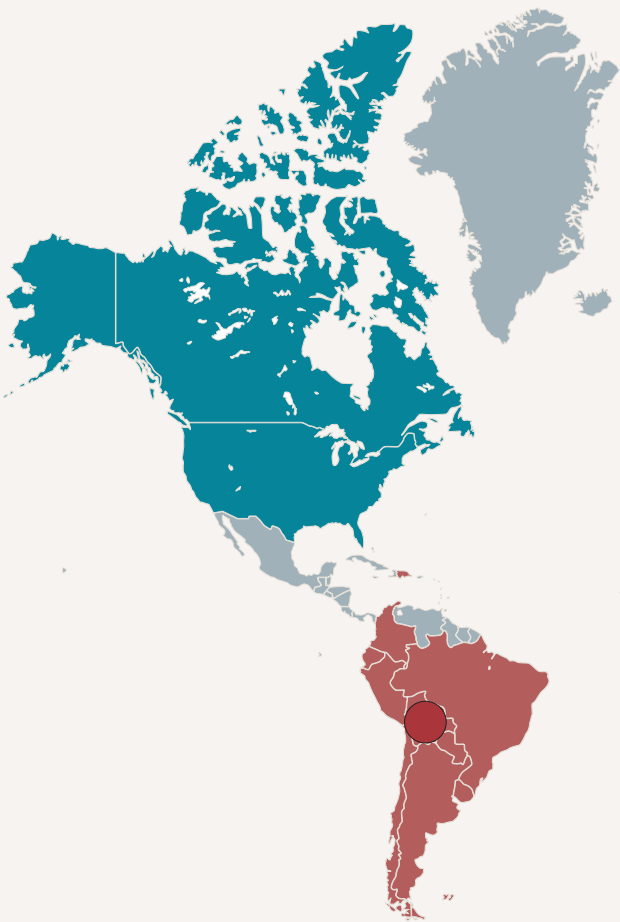
Our approach
We believe that a zero-harm environment is achievable, and that all fatalities, occupational diseases and injuries are preventable. We expect managers to help create safe workplaces by applying effective controls, with critical controls for fatal and catastrophic hazards. Our risk management process is a comprehensive, robust and well-tested framework.

We expect our people to come to work medically, emotionally and physically fit, and to follow health and safety instructions. We emphasise each individual’s responsibility for their own safety and that of their colleagues. Everyone, both employees and contractors, receives training on safety, and how to apply our policies and procedures. If any of our people are injured, we help them to get rehabilitated and reintegrated into the workplace as soon as possible.

Glencore is diverse in terms of geographical locations, working conditions, organisational cultures and workforces. Many of our assets demonstrate leading health and safety performance, and there is continuous improvement at many others. We have initiated corrective action at sites that do not show continuous improvement.

Our approach is long-term and based on sharing the best practice found within the Group. As we continue to build our health and safety strategy, we expect further steady, permanent improvement.

Reporting on fatalities and occupational diseases

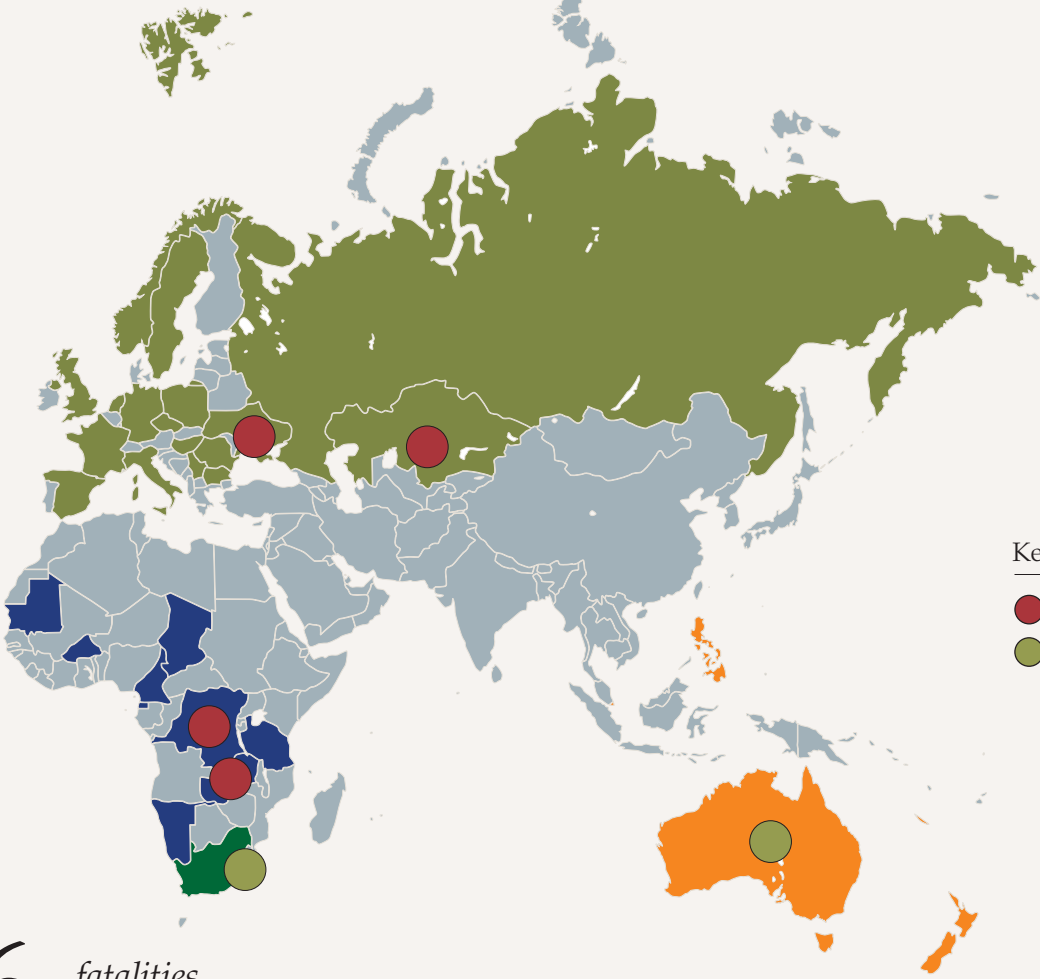


91% of our operations had no new cases of occupational disease...

804 new cases of occupational disease at four assets

- 704 at Mopani
- 73 at Kazzinc
- 14 at Viterro Australia
- 13 at AR Zinc in Argentina

Nickel, aluminium, iron ore and oil departments recorded zero in 2014	Agricultural business recorded 21: 79 fewer than 2013
Copper department recorded 2 (excluding Mopani)	Coal department recorded 18: 6 fewer than 2013
Ferroalloys department recorded 6: one more than 2013	Zinc department recorded 14 (excluding Kazzinc)



16 fatalities in 2014

13 took place at a small proportion of assets

- Kazakhstan
- Ukraine
- Bolivia
- DRC
- Zambia

Around 71,000 of our people are employed at these assets. We have designated these “focus assets,” meaning they are now the central focus of our efforts to eliminate loss of life.

3 across all our other assets

- 2 in South Africa
- 1 in Australia

Workforce: 110,000 employees & contractors

Of the 16 fatalities... 11 took place underground

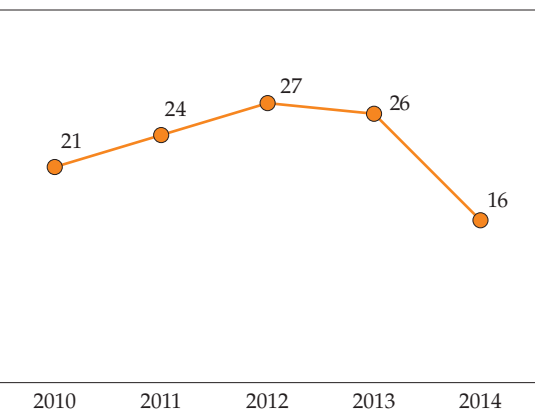
Our coal, nickel, oil, iron ore and aluminium departments, representing 40,000 employees and contractors, recorded zero loss of life in 2014

Our South African coal (workforce 15,000) and nickel departments (workforce 8,000) recorded 2 years without loss of life

Health & safety *continued...*

80%
of our assets either improved their LTIFR or had no LTIs in 2013 or 2014

Fatalities (2010–2014)



A steady reduction in injuries

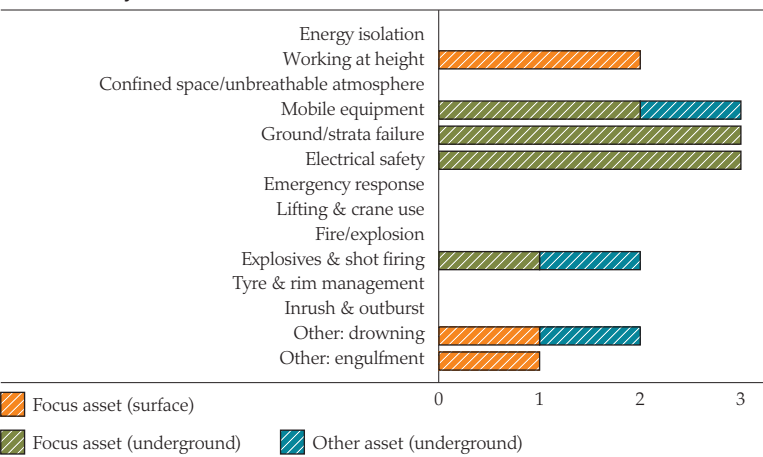
Our long-term drive to eliminate workplace injuries continues to yield year-on-year reductions in our lost time injury frequency rate (LTIFR). We have set a goal to reach a 50% reduction in our Total Recordable Injury Frequency Rate (TRIFR) by 2020, compared to this year’s baseline rate of 5.89.

Our Group LTIFR in 2014 was 1.58, reduced by 42% from 2.74 in 2010, and an improvement over 1.87 in 2013. 33% of our assets improved their LTIFR in 2014. However, this does not include the 47% of our assets with zero LTIs in 2013 and 2014. In total, 80% of our assets either improved their rate in 2014 or reported zero LTIs in both 2013 and 2014.

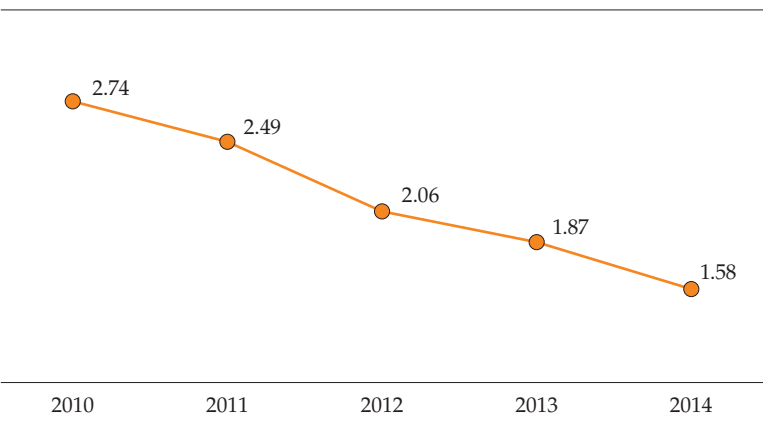
We recorded 691 LTIs in 2014 (excluding fatalities), compared to 899 in 2013.

69%
of the 16 fatalities at our operations in 2014 were related to the six fatal hazards that have caused the most deaths in the past

Fatalities by location and cause (2014)



LTIFR (2010–2014)



LTIFR is the total number of LTIs recorded per million working hours. LTIs do not include Restricted Work Injuries (RWI) and fatalities; although we previously counted fatalities as LTIs until 2013, we have restated our historic data to exclude fatalities. Before 2014, there were minor differences in how former Glencore and former Xstrata assets defined LTIs, relating to the first day from which an LTI was recorded.

Creating a safety culture through leadership

Creating a safety culture starts from the top of the business. Our senior corporate and asset managers take responsibility for their role in leading cultural change and actively promote our safety strategy. The Board oversees our safety performance, issues and progress and senior corporate managers visit assets regularly and share their expectations for safety behaviour.

Our Chairman, CEO and Board HSEC Committee continue to drive our work to prevent loss of life with clear leadership. Any fatality must be reported to the CEO, Board HSEC Committee and Group sustainability team within 24 hours. Independent third-party assistance is on site within 72 hours of a fatal incident. The Committee reviews every incident with the senior management teams of the department and asset affected and shares any lessons that could prevent fatalities with the Group.

The Chairman of the Board HSEC Committee hosted our first annual fatality prevention summit in 2014, attended by our CEO, commodity department heads and safety managers from throughout the Group. After the summit, each department head issued a clear safety directive to their assets, all of which were consistent throughout the Group.

In 2014 we began safety awareness workshops to educate our marketing teams about SafeWork and Glencore’s safety challenges. This allows them to support our efforts during visits to operations and discussions with customers.

SafeWork

Our SafeWork initiative provides a framework for creating individual safety cultures across our diversity of geographical locations, working conditions, organisational cultures and workforces. The overall message is that every single individual should use their authority to stop unsafe work: “Safe Work or Stop Work.” The fundamental components of SafeWork are:

- Fatal hazard protocols:** these address Glencore’s most common causes of fatalities and serious injuries. During 2014 we began by focusing on the six that have caused the most loss of life in the past. As rollout of SafeWork began, two further protocols were added to the original 12. In 2014 our operations conducted self-assessments against these protocols and have developed corrective action plans to close any gaps identified.
- Life-saving behaviours:** these encourage workers to focus on critical hazards: those with the highest potential for serious injury or fatalities, and the safety behaviours that mitigate them.
- Supporting tools:** these include risk awareness training, virtual reality training materials on each fatal hazard, and other training aids. The tools are available to our assets via our intranet with hard copies distributed in regions with poor internet access.
- Empowering first-line supervisors:** we expect them to take responsibility for their work areas, manage technical safety aspects, such as wearing PPE, and motivate safe behaviour.

Our departments have embraced SafeWork and are adapting it to suit their assets and locations, in consultation with the relevant stakeholders.



Health & safety *continued...*

SafeWork: implementation to date

SafeWork was piloted at five sites in 2013; Group-wide rollout began in 2014. 11 of 16 fatalities occurred at these five sites in 2014, compared to 16 out of 26 in 2013. Each of these sites also reduced their LTIFR. By the end of 2014, 118,000 employees and contractors had undertaken awareness training on the fatal hazard protocols and life-saving behaviours.

Identifying and mitigating safety risks

We believe that robust risk management is crucial in preventing loss of life and catastrophic events. Our Group risk management framework and HSEC policies provide a comprehensive, robust and well tested framework for this approach. Our risk management tools, systems and guidelines support our line management in creating a safe work environment through the application of effective controls and implement effective critical controls for fatal and catastrophic hazards.

During 2014, each department confirmed the main causes of fatalities and potential catastrophic events for their operations.

Over the coming years, our risk management process will focus on improving the integrity of plant, equipment, structures and processes. We will continue to train our people on hazard awareness and risk assessment.

The importance of reviewing high potential risk incidents

A focus on reporting and recording high potential risk incidents (HPRI) has been vital to improving safety at our operations. The whole Group now reports on HPRI and shares learnings weekly.

Reporting on HPRI trends and making corrective actions directly help prevent any systemic causes of fatalities. Five of the six most common types of HPRI reported are related to the six fatal hazard protocols we prioritise most highly.

280 HPRI were reported in 2014, compared to 155 in 2013. We believe this increase shows that individuals across the Group have understood the need to record HPRI, and indicates that our promotion of a risk-based safety culture is working. All assets are required to report and investigate HPRI to ensure a complete understanding of the event and the steps that can be taken to prevent it in the future.

Assessing contractors and joint ventures

We engage many contractors for additional labour and specialised skills and services. We make no distinction between our employees and our contractors with regard to safety. Contractors are included in our safety performance data, and must comply with our safety policies and procedures.

We regularly review our contractor management to ensure our standards are met and to check that we are communicating safety procedures effectively. We assess each supplier's safety record when appointing a new contract and perform regular contractor reviews.

A small number of our operations are joint ventures with other parties. Where we do not have operational control of an asset, we seek to influence safety management through our representation on the assets' boards and through sitting on relevant committees. If any joint ventures need to improve their safety performance, we prefer independent third-party assessments to assist.

Reducing occupational disease

We are constantly looking for ways to improve our management of occupational disease. The challenges vary widely across our operations, depending on industry type and region. We have an equally wide range of occupational health programmes, run at both department and asset levels. What they have in common is the intent to eliminate or minimise exposure to health hazards.

We are developing a consistent approach to tackle the range of considerations dealt with across our assets. These vary with each site's operational processes and procedures. Our consideration of the best practice we have studied so far suggests three strategic objectives:

1. **Healthy workplaces:** we ensure that our workplaces are safe and healthy with appropriate procedures practised to minimise or eliminate exposures at source
2. **Fit for work:** we match each task's requirements to the capabilities of the employee. Our people undergo pre-employment work assessments and annual medicals
3. **Fit for life:** our sites run health and wellbeing initiatives designed to reflect the needs of their workforces; this includes understanding the general health levels of the local community

118,000

By the end of 2014, 118,000 employees and contractors had been given training on the fatal hazard protocols and life-saving behaviours

280

high potential risk incidents (HPRI) were reported in 2014, compared to 155 in 2013

As with safety, we see a direct correlation between health and productivity; we track the number of days lost due to occupational injury and disease. We benchmark our occupational disease performance against that of our peers in the mining, oil and agriculture sectors. Some of our sites achieve excellent performance in occupational disease management. We share this best practice across the Group.

The most common health hazards in our workplaces continue to be heavy loads, noise, silica, diesel exhaust particles, acid mist, lead and particulate matter containing heavy metals.

We undertake regular risk assessments at our workplaces to ensure all risks are identified and are being correctly addressed. We create a range of engagement and communication programmes, including community forums and counselling during annual medical screening, to help our people understand and minimise their exposure to health risks.

In 2014, 91% of our sites reported no new cases of occupational disease, compared to 88% in 2013.

Kazzinc and Mopani accounted for 93% of our new cases in 2014. We are working with these assets to identify the main reasons for these new cases and ensure the consistent application of definitions and recording protocols.

In February 2014, we held an occupational health summit, led by the Chair of our HSEC Committee, to bring about a step improvement in how we address occupational diseases. The summit allowed our occupational disease experts to share learnings and areas of excellence, and address key concerns. We are using the results to help develop our occupational disease prevention framework, which will be completed and rolled out during 2015.

See page 30 for details of our occupational disease performance in 2014.

Looking forward

- *2015 fatality prevention summit to share knowledge and findings*
- *Continued sharing of leading practices and learnings across the Group*
- *Implementing SafeWork at all operations*
- *Completing identification of catastrophic hazards and corresponding critical controls*
- *Developing and rolling out occupational disease prevention framework*
- *Implementing action plans at Kazzinc and Mopani for their occupational disease cases*

Our people



Our people are fundamental to our success and growth. We treat all our people fairly, uphold their rights and reward them competitively, in line with their contribution to our success.

The opportunity

Glencore's success relies on our ability to attract, develop and retain the best talent, at every level. We prioritise attracting and keeping talented people.

Our ambition

Our aim is to be recognised as a top employer.

"Our people are our greatest asset."

"We treat our employees and contractors fairly, with equal opportunities for development and pay."

"We uphold our people's rights to freedom of association, collective representation and just compensation. We prohibit all forms of child, forced, or compulsory labour."

2014 performance

83%

of workers were local

76%

of managers were local

16%

of workers were women

19%

of managers were women

14,501

turnover in 2014

8m

training hours in 2014

11,228

of our people underwent voluntary testing and counselling for HIV/AIDS

16

strikes

Key activities

Our Zambian copper asset opened the Mopani Central Training Centre to train over 200 apprentices in mining skills

In Southern Africa we have been running and supporting initiatives that address the impact of HIV and AIDS for 25 years

71% of our employees are represented by an independent trade union or covered by a collective bargaining agreement

Our people *continued...*

Our people are our greatest asset. We aim to provide clear, attractive career paths and safe, healthy workplaces that are free of discrimination and harassment. We rigorously enforce our policy of equal opportunity at all levels of the organisation. We uphold the International Labour Organisation Declaration on Fundamental Principles and Rights at Work.

Our approach

We recognise and uphold the rights of our workforce to a safe workplace, freedom of association, collective representation, just compensation, job security and development opportunities. We prohibit all forms of child, forced, or compulsory labour.

We reward our people competitively, in line with market conditions and their contribution to our overall business success. We provide them with the opportunity to develop their skills, expertise and experience and give them confidence to develop their careers. They have the potential to work with some of the most experienced, capable and accomplished individuals in our industry.

There are opportunities at every level of our business, around the world and at every stage of the supply chain, from sourcing raw materials deep underground to delivering products to our international customer base.

Our heavily decentralised approach offers our people greater responsibility and accountability to make the right decisions for the businesses and communities in which they work. This gives them the freedom to create long-term relationships with our stakeholders.

Protecting our workforce

We aim to help our people stay healthy. We are often the largest local employer, so providing support is the right thing to do, as well as making good business sense.

Many of our sites have established wellbeing or “fit for work” programmes, which target mental and physical health issues such as obesity, smoking, stress and depression.

Our operations are often sited close to communities with limited healthcare. Local health services might be in the early stages of development, or local authorities may not have the resources to cope with the scale of need.

We work with local authorities, local community representatives and other partners, such as NGOs, to help to overcome major public health issues in the regions where we work, such as HIV/AIDS, malaria and tuberculosis.

We recognised the actual and potential impact of HIV/AIDS nearly 25 years ago. Research showed that if companies helped tackle this disease, it would not only reduce sick leave and improve life expectancy, but that sufferers could live normal lives while receiving treatment. This led to Glencore drawing up an HIV/AIDS intervention strategy with very specific targets. We encourage our people to find out their HIV status, and our HIV-positive employees to get treatment.

In South Africa our coal operations work with local authorities and Re-Action!, an NGO specialising in mitigating HIV and AIDS. This collaboration addresses the need for immediate, local access to health services, as well as developing, rolling out and developing workplace programmes.

We have created a ground-breaking public-private partnership between our South African alloys operations and the Mpumalanga provincial government, allowing us to act on needs identified by local government. This includes refurbishment of several public health clinics for anti-retroviral treatment, voluntary testing and counselling services.

In Zambia, our Mopani copper operation worked with AIDSRelief to create a strong programme. HIV/AIDS sufferers are still stigmatised, which discourages them from getting tested or registering for treatment. Making all records and data strictly confidential has helped encourage participation.

76,000
local residents have used Mopani’s voluntary HIV/AIDS counselling and testing since 2005

The cumulative number of local people to have used Mopani’s voluntary counselling and testing (VCT) has risen from 1,550 in 2005 to nearly 76,000 by the end of 2014. The percentage of pregnant women attending pre-natal programmes at Mopani-run health centres participating in VCT has risen from 41% in 2005 to 100% in 2014. The proportion testing positive has fallen from 12% to under 6% in the same timescales.

Within months of introducing workplace programmes, we realised that we had to extend them into the local community to fight the disease effectively. Our programmes offer counselling, testing and treatment for community members. The local community has seen an increase in outreach activities in the Mopani catchment area and beyond. Through increased community awareness and behaviour change, positivity rates have fallen. The programmes have won additional funds from agencies such as the US President’s Emergency Plan for AIDS Relief (PEPFAR).

Career development

We choose the best people for the right positions. This means people who think and act like entrepreneurs, who are willing to learn, are passionate about their work and strive to be leaders in their field. We ensure they have the opportunity to develop their careers. Some departments have introduced specific programmes for spotting, training and mentoring talented employees.

Our people are hired, promoted and offered development opportunities on the basis of their overall qualification for, and success in, their specific jobs. During 2014, our employees participated in 8 million hours of training. Our remuneration structures are generally based on each person’s knowledge, experience and ability; we reward performance and self-improvement.

We review our pay and incentive practices regularly. We also assess skills and competencies regularly, recognising talent, performance and potential, and providing appropriate support and development opportunities. Performance reviews can be opportunities to discuss each employee’s career goals, which may lead to career progression opportunities, mentoring and other training.

Turnover

Our turnover numbers are influenced by a number of factors. Our agricultural activities engage large numbers of seasonal workers, and project development requires additional contractors who leave at the end of that phase of work. Around 20,000 employees left Glencore in 2014 as a result of divestment of assets, as well as reduced production at a number of assets, due to low market prices for certain commodities. In addition, some individuals’ best opportunities arise outside of Glencore. When working to reduce turnover, we focus on these individuals, who are leaving voluntarily.

Where appropriate, we hold exit interviews and ask leavers to complete exit questionnaires. Our HR teams review the findings and develop strategies to address the points raised. Some sites also run employee surveys to pinpoint considerations before the exit stage. In addition, different operations offer different incentives. These vary from asset to asset, but include:

- Free transportation for shift employees
- Housing assistance programmes
- Recognition of local cultural events
- Medical insurance allowance
- Comprehensive health and wellbeing facilities available on site

Retention

We encourage our businesses to develop succession planning and retention strategies that best reflect their local working environment. This means that there are different approaches used in different regions, but some include:

- Regular reviews matching the current talent pool against future business requirements, followed by strategies to fill any gaps; this includes identifying skill gaps in the “next level down” and training our people for the roles above theirs, to build competencies
- Implementing a talent and succession planning process to help build a division-wide view of talent, and plan for the replacement of leaders and critical roles
- A leadership development programme where hand-picked individuals take part in six months of structured training

Our people *continued...*

- External leadership training courses for individuals identified in annual performance reviews, with the possibility of studying up to a masters level with financial support and study leave
- An online database tracking upcoming critical gaps in the workforce, to allow current employees to develop the appropriate skills; it is also used to post short-term opportunities and prioritise transferring current employees before hiring external consultants or contractors
- Supporting “fast trackers” with leadership skills and management competencies
- Using short-term international assignments to help our talented people (this also helps disseminate technical and organisational experience throughout the Group)
- Our marketing teams recruit recent graduates and support and develop their careers up to a senior trader position

Diversity

We believe that diversity is essential to our business; we aim to employ workforces that reflect the demographics of the communities in which we operate.

We prohibit discrimination on the basis of race, nationality, religion, gender, age, sexual orientation, disability, ancestry, social origin, political or other opinion, or any other bias. We do not tolerate any form of racial, sexual or workplace harassment.

Achieving gender diversity is a major challenge, as many of our operations are geographically remote and employ shift working. In these regions, we focus on maximising local employment to contribute to the local economy, rather than on our gender balance.

Over 50% of our marketing employees are women. Our marketing offices have family-friendly policies and work with our people to accommodate their family commitments. Our industrial operations have a number of initiatives in place to encourage and support women in traditional and non-traditional roles. In 2014, 16% of our employees and 19% of our managers were female.

All our sites comply with, and often exceed, their national legislation on parental leave and flexible and part-time working. We consider requests for job-sharing when possible, and when an employee is pregnant or breast-feeding we accommodate this as far as is appropriate. Some of our assets have family days, which bring together our employees’ families, and summer student programmes, which can give family members work experience.

Local employment

Many of our industrial operations are very near to local communities, and we are acutely aware of the impact we can have on these when we expand or reduce our workforces.

Most of our marketing and industrial operations have established targets to provide high value employment for local people. This may include in-country employment, with appropriate training and mentoring opportunities (particularly in industrial assets), and opportunities to work at our Swiss headquarters or elsewhere in the world (particularly within our marketing activities).

Our assets consider how best to replace ex-pats with local employees, supporting local socio-economic development. Skill requirements are assessed for each job and a gap analysis identifies the training needed to equip local employees to skill-up. Training is tailored so each employee can acquire the lacking skills needed to do the work efficiently and safely. We hold “introduction to Glencore” sessions at some of our regional offices to build awareness of Glencore at local schools and universities and encourage applications.

In 2014, 83% of our employees and 76% of our managers are considered to be local.

New employees go through the training required by their job profile, which includes sustainability considerations, before they start work. We are committed to ensuring all our employees become functionally literate and numerate.

Our South African businesses are focusing on promoting adult learning; they have partnered with mineral sector peers and stakeholders to develop Adult Basic Education and Training (ABET) programmes for our local communities. ABET participants have a better chance of good work opportunities with any mine in the region and an improved standard of living.



In Zambia, there is a short supply of people with technical skills suitable for the mining sector. Our copper asset, Mopani, built and runs a \$15 million apprentice training centre to train artisans in various mining skills. The Mopani Central Training Centre opened in 2014 with 200 students, who, in addition to skills training also receive upkeep allowances, meals and accommodation, recreation facilities and a guaranteed job on successful completion of the training programme.

Engaging with our people

We continually work to actively engage with our workforce about many topics, including safety, personal health and advancement opportunities. Whenever there are significant organisational changes, like closures, acquisitions, mergers or divestitures, we consult and communicate with our people and provide support when they need it.

We require employee grievance and conflict resolution mechanisms at all operations. We follow due process for grievances to make sure that any serious conduct, performance or treatment issues are dealt with fairly. This includes giving individuals the opportunity to tell their side of the story before any final disciplinary decision is made.

When we are forced to close an asset, either because it has reached the end of its viable life, or due to market conditions, we work hard to minimise the impact on its workforce. We try to work with governments and union representatives to develop strategies to help those employees. We give career advice and work with employment counsellors to draft résumés and prepare for job interviews. We also liaise with our peers in the region to identify potential job opportunities.

Our job vacancies are advertised internally; our HR teams use this list to suggest redeployment opportunities. In addition, we may look for vacancies at operations near to the assets affected and offer jobs to employees with the right skills. In South Africa, we have helped a number of our underground operators retrain to work in our opencast mines.

Industrial relations

We uphold our peoples’ right to freedom of association, right to unionise and collective representation, regardless of their location or purpose. We are committed to working honestly and openly with labour unions at all of our operations and undertake negotiations in good faith.

71% of our employees are represented by an independent trade union or covered by a collective bargaining agreement.

During 2014, there were 16 strikes at our assets, resulting in 12 lockouts lasting longer than one week. One was at our alumina plant in Texas; another at a mine in South America; the rest were all at six mines in South Africa. In all instances, we were active in our engagement with our employees and the unions representing them; all strikes, except the alumina plant in Texas, have concluded with labour agreements being reached and signed, many of which were multi-year.

Looking forward

- *Support the development of skills in countries where we operate*
- *Maintain or strengthen talent attraction programmes*

Society



We aim to foster sustainable growth wherever we operate. This is central to our values and essential for our licence to operate. We contribute to society throughout our value chain, via employment, procurement, enterprise development, infrastructure and social investment programmes.

The opportunity

Our operations have a significant effect on the communities in which we work, and on society as a whole. It is our responsibility to minimise any negative impact and to support sustainable development and growth.

Our ambition

Create shared value for Glencore, local communities, government and other stakeholders.

Our approach to engaging with society has three key pillars:

Understanding our societal risks and opportunities by identifying our stakeholders and their concerns, and creating an ongoing two-way dialogue

Managing the impact of our operations in a way that sustains livelihoods

Studying the full range of ways in which our activities benefit our host communities and developing a social enrichment strategy that involves all Glencore departments

2014 performance

\$17bn

economic value created

\$114m

spent on community investment in 2014

\$5bn

taxes and royalties paid

\$21bn

spent with local suppliers

\$5bn

wages and benefits

Key activities

Began development of social value creation scorecard to evaluate our contributions around the world

Completed the resettlement of Plan Bonito near our Calenturitas coal mine in Colombia

Mopani was Zambia's "Company of the Year" for transparency and EITI's "Best Performer" in Zambia

Society *continued...*

The social considerations we must assess fall into two categories: our impact on our host communities and wider society; and the risks to our business from societal expectations and the political landscape.

Our approach

To understand these factors, we require our assets to identify their stakeholders at every lifecycle stage; they should also gauge the influence and relevance of each stakeholder group. Groups include local communities, government, NGOs, churches, development organisations and other actors. We take particular care to identify vulnerable groups, such as women, children and indigenous people. We also look into each community’s specific socio-economic condition, e.g. the state of their infrastructure and services.

These analyses are used to create individual asset-level strategies for coherent and effective community engagement. This should include consulting local communities and agreeing objectives, along with key activities, KPIs and mechanisms for checking effectiveness.

Each strategy should include community development plans, aligned with individual assets’ operational strategies and the host country’s development objectives. Community relations managers work with asset-level compliance coordinators to ensure the community development projects are aligned with Group policy requirements, including the Global Anti-Corruption Policy. The community development plans are included in annual budget reviews with senior Glencore management. We encourage all our assets to implement these plans, with the aim of creating long-term, measurable benefits while minimising dependency on Glencore.

Our new Communities and Stakeholder Engagement Policy requires assets to conduct perception surveys every three years, to understand what stakeholders think of our activities. It also requires complaints mechanisms, set up so that all stakeholders have equal opportunity to use them, both physically and in terms of literacy, with no fear of recrimination. Complaints are recorded and investigated; material complaints are reported to the Board HSEC Committee each quarter.

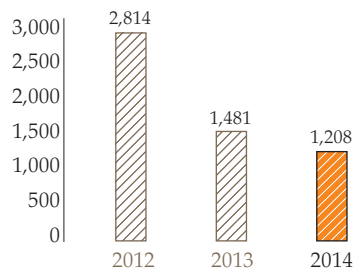
Managing our impact

We know our operations may have a negative impact on the surrounding communities. We identify impacts in many ways, including through environmental and social impact assessments, stakeholder analysis and complaints mechanism. Issues are required to be recorded in each operation’s risk register, and updated at every stage of the operation’s lifecycle.

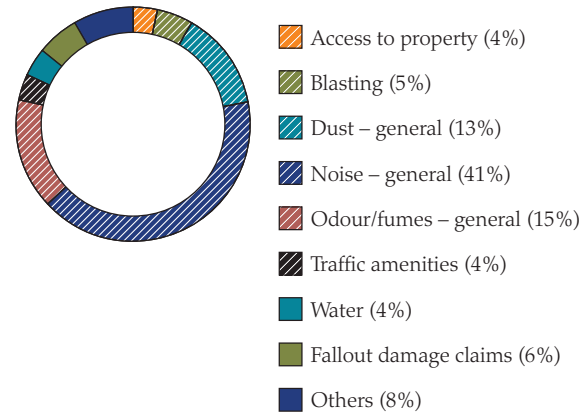
Addressing complaints

Our complaints mechanisms are important for finding out about community concerns, allowing us to fine tune our operational approach to minimise problems.

Community complaints (2012–2014)



Complaints by topic (2014)



Our assets received 1,208 external complaints in 2014. Over a third related to noise: we make significant investments in noise attenuation, upgrading our equipment whenever relevant improvements arise.

The next most common topic was odour/fumes; most complaints related to a single event at Mopani. This has been addressed by installing a desulphurisation plant. Another contributor, our asset at Mount Isa, has improved emission monitoring and management, shutting down production during adverse conditions.

Next were complaints about dust: our operations regularly review their dust management initiatives. These include wetting down roads, washing vehicles before they leave sites, and covering truck loads.

Resettlement

We seek to avoid resettlement wherever possible. When it cannot be avoided, we proceed in accordance with the International Finance Corporation (IFC) Performance Standard 5: Land Acquisition and Involuntary Resettlement. We focus most on ensuring transparency and accountability and making sure that the community affected is able to participate in planning. After resettlement we have programmes for restoring livelihoods, and we carry out ongoing monitoring.

In 2014, we conducted resettlement activities at five sites: Goedgevonden, Kwagga, Tweefontein, Wonderfontein and Calenturitas. For further details, see Regional Report: South America and Regional Report: South Africa.

Creating value for our local communities

Local procurement	Local employment	Enterprise development	Synergies from infrastructure	Social investment
<i>“Where possible we source locally”</i>	<i>“We provide training to local people to qualify for skilled jobs”</i>	<i>“We build capacity within local businesses and offer them ongoing opportunities to provide services to our assets”</i>	<i>“We help make sure that infrastructure related to our assets benefits local communities and supports development”</i>	<i>“We invest in public healthcare, education and basic services such as the provision of water and sanitation”</i>

Our business activities make a significant contribution to the national and local economies in which we operate. We ensure that these benefits come from all points on our value chain, with the most significant ones stemming from employment and procurement.

To help us measure our socio-economic contributions on the ground, and report on them consistently, we began to develop a social value creation scorecard. This will allow us to consistently measure each operation’s contribution to social value through our five core activities.

This will help us develop new social strategies that ensure activities are aligned along our value chain, maximising the benefits to Glencore and our host communities. The project piloted with a review of our operations in Zambia (see Regional Report: Africa for more details); we will run further pilots in 2015.

Society continued...

Our direct economic contributions

In many regions, our business represents a substantial proportion of their economy. Our licence to operate depends on our efforts to ensure that our stakeholders face a sustainable future as part of the benefits they gain from our activities. We must collaborate with them to achieve this in a way that works for them.

Our most significant economic contribution to our host regions comes from our core business activities: employing people, sourcing from host communities and countries, and our various payments to governments.

Our economic contributions, including our tax and royalty payments, are one of the developing world’s most significant sources of income. We pay all relevant taxes, royalties and other levies, in amounts that are entirely determined by the national, regional or local governments of the regions in which we operate.

In 2014, we spent \$40 billion on payments to suppliers and \$5 billion on employee wages and benefits.

We support transparency in the redistribution/ reinvestment of these payments and are active participants in the Extractive Industries Transparency Initiative (EITI). We believe that the EITI fosters open and competitive markets. There are more details of our view on taxes, royalties and transparency on our website: www.glencore/public-positions/paying-tax-transparently

Economic value generated¹

\$ million	Group	Australasia	Africa (excluding South Africa)	South Africa	Europe & CIS	North America	South America
Revenues ²	59,973	14,805	6,342	303	6,344	21,086	8,093
Payments to suppliers (operating costs) ³	39,922	8,565	3,900	173	4,188	18,624	4,472
Economic value added	17,052	6,240	2,442	130	2,155	2,462	3,622
Royalties and taxes ⁴	4,966	1,832	575	142	462	455	1,499
Employee wages and benefits ⁵	4,982	2,274	716	84	608	717	584
Payments to providers of capital (dividends and interest) ⁶	7,428	218	11	0	7,164	35	0
Community investments	114	10	30	12	28	5	29
Capital expenditure	7,685	4,032	1,927	50	404	462	811
Economic value retained/contributed	(8,010)	(2,116)	(787)	(147)	(6,481)	793	728

1 For presentation purposes, all figures in this table have been rounded to the nearest unit.
2 Revenues include sales and other income.
3 Operating costs are all costs of goods sold excluding salaries, employee wages and benefits; community investments noted separately.
4 Not included in the number are the total net refunds from government on VAT, GST, sales tax and excise duties, amounting to \$963 million; nor the capital gains tax arising from sale of Las Bambas copper asset in Peru, total \$531 million.
5 Employee wages and benefits exclude all contractor-related costs; these are shown in operating costs.
6 Payment providers of capital consist of dividend payment and interest expense (not physical payments). The payment of providers does not include any principle repayments of loans.

During 2014, the tax and royalty payments made by our mining assets totalled \$4 billion. Our ten highest payments made by these assets to governments this year were:

Payments to governments by country (2014)	
Country	Payment (\$) ¹
Australia	1.8 billion
DRC	445 million
Canada	324 million
Colombia	315 million
Kazakhstan	295 million
Argentina	269 million
Peru	170 million
South Africa	138 million
Zambia	111 million
Chile	29 million

¹ Net refunds on VAT, GST, sales tax and excise duties totalling \$963 million are not included. Capital gains tax of \$531 million arising from the sale of the Las Bambas copper project in Peru is not included.

We are committed to local employment

Our principal contribution to our host regions is through employment, both directly and via contractors. Our impact is particularly significant in developing countries, where our local employees can have as many as nine direct dependents. Improving the prosperity of our workforce also funds a general uplift in local economies, resulting in further job creation.

We are committed to employing locally wherever possible, and we invest in training to ensure that our local employees can build their careers. Our initiatives to drive local recruitment are outlined on page 42.

Of our 109,530 employees, 91,454 (83%) are local residents, as are 76% of our managers.

We are committed to local procurement

We spent \$40 billion on payments to suppliers. We use local suppliers wherever possible, as this is cost effective and helps communities to reduce their reliance on our operations for employment. It is also an important building block for the development of local economies; in some countries, national development objectives determine procurement requirements for each region. During 2014, we spent \$21 billion on local procurement.

In 2014, we identified Glencore operations with limited numbers of local suppliers. We are working with those communities and local government representatives to support local business development. We offer targeted training on business management skills, underwrite credit applications and guarantee future business within specific limits. For a case study on how we are meeting national Black Economic Empowerment (BEE) requirements, see Regional Report: South Africa.

We also encourage our large international contractors to develop local partnerships to transfer skills and build capacity locally.

We contribute to community development

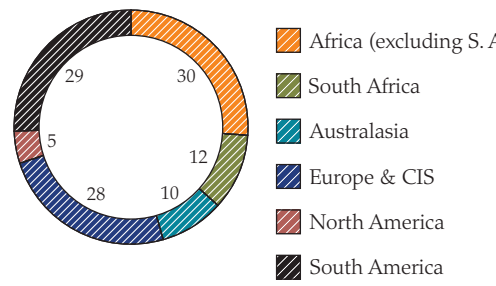
Each operation’s community development plan generally focuses on certain key issues:

- Capacity building through education, enterprise development and economic diversification
- Health
- Environment
- Key local issues

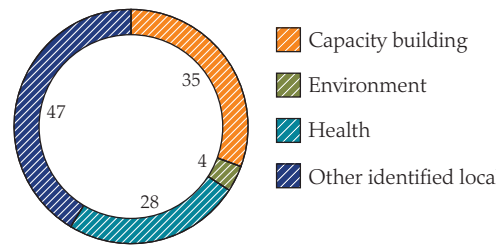
We believe that encouraging a culture of community leadership in the areas where we operate is one of the cornerstones of our social licence to operate.

For example, our nickel assets have developed an innovative toolkit for training their community relations teams in how to support effective stakeholder engagement and delivery of successful projects.

Community investment by region (2014)
\$ million



Community investment by type (2014)
\$ million



39%
In 2014, 39% of our suppliers were local; we spent \$21 billion on local procurement

Society *continued...*

Education

We support the construction and running of primary and secondary schools, technical colleges and institutes, as well as specialised training centres. We encourage these institutions to be run inclusively and promote the enrolment of girls in regions where gender discrimination is an issue. Where possible, we offer employment or work placements to graduates of these programmes.

We also support community centres and afterschool programmes, to provide activities for local children, particularly in poorer or vulnerable regions.

Health

The regions in which we operate have a diverse range of health problems, including HIV/AIDS and malaria in Africa, malnutrition in South America, and diabetes and obesity in Canada and Australia. We work to tackle these problems, both to help our people and to encourage community development. We support hospitals and clinics, help improve public sanitation infrastructure (water and sewerage) and run education and awareness initiatives. Where possible, we work with governments and aid agencies, such as USAID and PEPFAR in South Africa and Zambia.

Environment

Many of our operations are in remote areas with complex, vulnerable wildlife ecosystems. We run conservation programmes, work with local communities, and run awareness programmes to promote responsible hunting and fishing.

Improving infrastructure

Our operations are often in remote and underdeveloped areas, where we can share infrastructure such as roads, water and electricity with our host communities. This infrastructure will last long after our activities end, not only boosting current economic growth but contributing to a sustainable future. It could include:

- Constructing roads that provide access to our operations as well as local towns or markets
- Investment in major power projects that will supply both our operations and nearby towns and villages
- Supplying waste ground water from our mines for use by local communities after treatment
- Creating employment opportunities in infrastructure construction

*Below:
Andile Gedu at Kroondal mine in South Africa. We recognise that employment at our assets is a significant contributor to local economies. We support skills development to increase opportunities for local residents*



Working with communities, NGOs and other partners

As a large company operating in developing regions, society often places great expectations on us, particularly with regard to employment and community support. While we recognise our responsibilities, we do not want to create unhealthy dependency.

We try to help our local communities develop transferable skills and sustainable, autonomous businesses. We work with communities and local or national government, to help them understand their rights and responsibilities as citizens and public servants. Our community development programmes establish clear criteria for eligibility and participation, and ensure that everyone involved understands their obligations. While we provide extensive mentoring and support to our projects, we make it clear that our involvement is finite in time and scope.

We believe that focusing on accountability and ownership facilitates lasting, successful partnerships and sustainable, economically viable projects that will endure.

We are committed to engaging with civil society to promote positive change. Our operations work with more than 20 NGOs on issues ranging from public health concerns, such as HIV/AIDS and malnutrition, to socio-economic challenges, such as poverty alleviation and aboriginal reconciliation.

We also work with NGOs to help improve our community outreach, supporting our community programmes, and lending their expertise to our strategic programmes. In 2014 we formed a partnership with CARE, a global NGO dedicated to fighting poverty to strengthen our community programmes across the Group.

How we do this

Buy-in from senior management

Management teams at all levels of the Group understand that we must have a meaningful dialogue with our host communities to run successfully and maintain our licence to operate.

Our community relations managers work closely with senior managers at all levels; the Board HSEC Committee gets regular reports on this work. Where appropriate, site and departmental managers also take part in community consultation meetings or workshops, and engage with partners, like NGOs and developmental organisations, sharing funding or delivery of projects.

Sharing experience across the Group

The Group encompasses a diverse set of skills and experiences, which we work to capture formally, to improve what we do and ensure consistency. This can include regular inter-departmental conference calls and a dedicated intranet.

In 2014, we promoted visits and exchanges between different divisions. This helped them to build networks and share what they have learned about working with their different host communities.

Experts from different departments contributed to a new community leadership programme, developed by our nickel operations, to be launched in 2015. The programme focuses on building leadership and employee capabilities in community engagement and development. It consists of a handbook and training delivered through subject-matter presentations, peer-to-peer exchange, and the introduction of self-assessment tools on operational challenges that promote continuous improvement.

Looking forward

- *Finalise our social value creation scorecard and disseminate throughout the Group*
- *Continue to develop comprehensive social strategies to maximise effectiveness*
- *Continue to spend at least 1% of Group profit (before tax) on social investment programmes*

Human rights



In everything we do, we respect the human rights of our people, host communities and partners. Our Group Human Rights Policy was created to enshrine this duty.

The opportunity

Our operations have many contacts with the communities in which we work. It is vital that we uphold the human rights of our people and our local communities, including vulnerable groups such as women, children, indigenous people and victims of conflict. This is particularly relevant in regions where our assets require additional security.

Our ambition

To eliminate human rights abuses and uphold international standards within the Group and throughout our value chain.

“Our approach to respecting all human rights is aligned with the UN Guiding Principles on Business and Human Rights Protect, Respect and Remedy Framework, as well as the ILO Core Conventions.”

“The risk assessments conducted by assets in high risk areas include workplace, use of security and other human rights considerations.”

“We require our assets to have grievance mechanisms that are accessible and transparent, and enable our stakeholders to raise concerns without fear of recrimination.”

2014 performance

49,748

workers received human rights training in 2014

4

we provided human rights training to members of public security services in four countries

72%

of our sites have grievance mechanisms in place

Key activities

We undertook the application process to join the Voluntary Principles Initiative, becoming a member in March 2015

We implemented the Voluntary Principles in our focus countries: Bolivia, Colombia, DRC and Peru

We developed detailed guidance on engaging with private and public security providers in alignment with the Voluntary Principles

Human rights *continued...*

Our approach is aligned with the Protect, Respect and Remedy framework from the UN Guiding Principles on Business and Human Rights and the ILO Core Conventions.

The managers of our commodity departments and individual operations are responsible for ensuring that our people comply with our Group Human Rights Policy; their efforts are overseen by the Board HSEC Committee.

Each of our operations is required to conduct a risk assessment at key phases of its lifecycle. This assessment is fundamental to our approach; it forms part of each operation’s risk register, and is overseen by its senior management, who also oversee human rights training.

While varying by region, the risk assessment may cover:

- Workplace-related risks, including discrimination, bullying, harassment or assault, or any form of child, forced, bonded or involuntary labour
- Risk of conflict, particularly relating to security
- Respect for the rights of communities, including vulnerable groups such as women, children, indigenous people and victims of conflict
- Risk of human rights infringements by our business partners

Our operations also consider broader mining-related risks in the surrounding areas, such as those related to artisanal mining, on a site-by-site basis.

We require our assets to have grievance mechanisms that are accessible, accountable and fair, and that enable our stakeholders to raise concerns without fear of recrimination. Any allegations are investigated, and appropriate action is taken. In all instances we collaborate with local authorities.

We conduct regular human rights training for our workforce. This ranges from focused training on the Voluntary Principles on Security and Human Rights for our security employees and contractors, to general human rights awareness during day-to-day activities for our wider workforce. In 2014, 49,748 workers received specialised human rights training.

Security and human rights

Some of the countries where we work have a higher risk of security-related human rights abuses. We expect our people to avoid complicity in human rights abuses and uphold international standards at all of our assets, regardless of location or function.

Our procedures are aligned with the Voluntary Principles on Security and Human Rights (Voluntary Principles) as part of our Group Human Rights Policy.

If security risks are identified, our operations must:

- Screen security contractors’ human rights performance and their ability to comply with our policy
- Ensure that we have contracts in place with private security service providers that reference the Voluntary Principles, and memoranda of understanding with public security providers that state our commitment to upholding human rights
- Require or conduct training on human rights
- Continuously monitor our security contractors’ performance, including meeting with local communities to understand how it affects them

In 2014 we concentrated on implementing the Voluntary Principles in four focus countries: Bolivia, Colombia, DRC and Peru. We identified local risks connected to private and public security forces, and agreed appropriate mitigation measures. We also began to formalise our relationship with the public security forces through memoranda of understanding that set our commitment to the Voluntary Principles, and our expectations of the security officers’ conduct whilst on our concessions. We have also reviewed and strengthened our approach to training and awareness-raising in these countries. Case studies on our progress implementing the Voluntary Principles in the DRC can be found in Regional Report: Africa and Regional Report: South America.

In 2013 we reported on our review of security practices in regions with a higher risk of security-related human rights infringements. Following this, we have developed detailed Group guidance on engagement with private and public security providers. This is to ensure consistent alignment with the Voluntary Principles in our contractual and other legal agreements, deployment and conduct, and performance monitoring. This provided a framework to support our country-specific implementation programmes.

In March 2015, we were successful in our application to join the Voluntary Principles Initiative. We will work with the member governments, companies and NGOs to further develop our approach towards human rights.

Working with our business partners on human rights

The activities of our business partners, including suppliers and contractors, may also have an impact on the human rights of their stakeholders. To address this, our contracts with partners require them to maintain lawful business practices. Contracts with some partners require them to work in alignment with our Code of Conduct, our Global Anti-Corruption Policy and our Human Rights Policy.

We recognise that some local contractors and suppliers, particularly those in poor and remote areas, may struggle to meet our requirements at first. We also believe that ending our relationship with them is not a solution that helps to enrich our host regions. For this reason, our operations assess their local partners and develop an action plan to help them to meet our requirements. This might include capacity-building programmes, monitoring of performance and corrective actions. However, we will end our relationships with partners who do not make reasonable timely efforts to comply with our standards.

Further details of our commitment to local procurement can be found on page 49.

Respecting the rights of communities

We respect and support the rights of our host communities. We use our engagement with local communities to help inform them of their legal rights, to ensure that they can have meaningful participation in inclusive consultations, and that we carry out any consultation and negotiations in line with local methods for decision-making. The chapter on society has details of our community engagement approach.

Engaging with vulnerable groups

Some of our stakeholders have faced economic and social discrimination in the past. Many of them have histories where their voices have not been heard. Where possible, we create ways of engaging with local communities to include these groups. This might mean women-only consultation meetings, supporting cooperatives solely for disadvantaged groups such as former artisanal miners or victims of conflict-related displacement, and engaging with indigenous peoples on their rights and cultural heritage.

We uphold the ICMM position statement on indigenous peoples and mining.

A number of our operations are located on or near indigenous people’s territories. We have formal land use agreements, including indigenous land use agreements in Australia and indigenous benefits agreements in Canada. Elsewhere, we engage in open dialogue with indigenous communities. This includes regular community consultative forums for many of our South African assets, but also focus groups, direct correspondence, newsletters and face-to-face meetings at various locations. See Regional Report: Australia for an example of our approach to engagement with aboriginal communities.



Below: River sampling at Alumbreira mine, Argentina

Human rights *continued...*

Artisanal mining

Artisanal and small-scale mining (ASM) is mining carried out by individuals or small groups, using hand tools and basic extraction methods. It is often illegal, dangerous and unsafe, with women and children taking part in some areas. It usually occurs in regions with larger social or political problems, including poverty, corruption and people displaced by conflict. Many artisanal miners are migrants and their presence can contribute to tensions in the local community, including a rise in criminality.

As it frequently involves theft and equipment damage at industrial mining operations, ASM can also present a material risk to our operations, requiring extra security, both private and public.

We engage directly with artisanal miners to offer them alternative livelihoods. ASM is a societal challenge that affects everyone involved, including government, peace enforcement agencies and other companies. We engage with these other stakeholders continually, to find solutions and promote legal, safe and environmentally responsible artisanal mining methods.

Informal or artisanal mining is practised at or near eight of our sites.

We do not profit from ASM; we have developed robust oversight mechanisms to ensure that, where our ore is transported for processing, it is not mixed with material from other sources.

Grievance mechanisms

We seek to manage grievances using a risk-based approach and in line with the criteria developed by the UN Guiding Principles. At operations in stable jurisdictions that have a low impact on their host communities we use less formal mechanisms, while more robust mechanisms are needed where the rule of law is weaker, and where our potential impact is greater or will vary over time.

72% of our assets had grievance mechanisms in place in 2014.

The self-assessment that our sites conducted against the Group HSEC policies included an analysis of their grievance mechanisms. At some assets we identified some discrepancies in structure and design, which we will address further in 2015.

Right: Environmental monitoring at Ravensworth coal operation in Australia

Looking forward

- *Further human rights training, particularly for Glencore security teams and private and public security service providers*
- *Strengthen local community strategies to take more account of vulnerable groups, particularly victims of conflict-related violence*
- *Further engagement with our partners to help them meet our standards*
- *Develop guidance to support the implementation of robust, context-appropriate grievance mechanisms, fully aligned with the criteria developed by the UN Guiding Principles on Business and Human Rights*



Environment



Our operations can have direct and indirect impacts on the environment. We work to minimise our potential effect, complying with or exceeding relevant regulation. This is consistent with our values and the Code of Conduct, and key to our continued licence to operate.

The opportunity

Our operations have direct and indirect impact on the environment in regions where we operate. We work to minimise and mitigate any negative impact from our activities and are always looking for ways to improve our performance.

Our ambition

To reduce our environmental impact, including our use of resources, such as energy and water, wherever possible.

“We use the precautionary principle in our environmental considerations.”

“Our Group Environmental Policy is aligned with international environmental standards, including ISO 14001.”

“Efficient use of resources and energy is integral to our environmental management.”

2014 performance

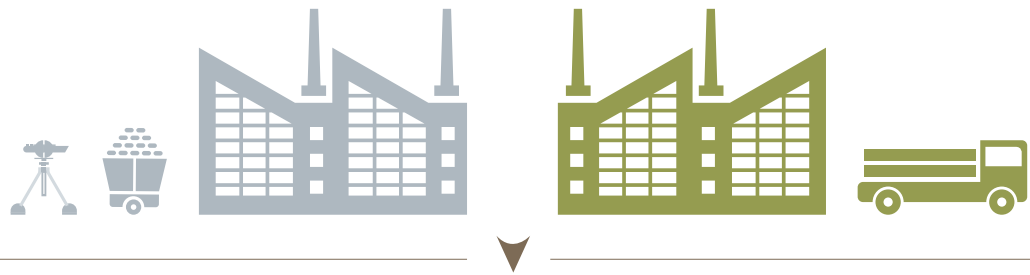
23m <i>tonnes GHG emissions (Scope 1)</i>	13.4m <i>tonnes GHG emissions (Scope 2)</i>	425 <i>thousand tonnes SO₂ emissions</i>
11 <i>thousand tonnes dust (PM)</i>	250 <i>petajoules energy use</i>	958m <i>m³ water withdrawn</i>
2.2bn <i>tonnes mineral waste</i>	0.9m <i>tonnes non-mineral waste</i>	71 <i>thousand tonnes NOx emissions</i>

Key activities

We joined several global initiatives researching precision agriculture technologies and other agronomic improvements	Completed a complex smelter upgrade in Zambia ahead of schedule, significantly improving local air quality	Began development of a water strategy to help manage our impact on water resources
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Environment *continued...*

Our approach to environmental management stems from our Group Environmental Policy, which is aligned with international environmental standards, including ISO 14001.



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

More than half of our sites have an environmental management system in place. Over one third of these sites have their environmental management system externally verified.

We reduce our use of resources such as energy and water wherever possible. This includes active investment and involvement in renewable energy projects and technologies that help reduce our emissions.

Targets

Our environmental performance can be influenced by many factors, including shifts in business activity, production or assets. This makes it difficult to establish appropriate Group environmental targets that fit the circumstances of each operation, site and project. We do not set blanket Group environmental targets but instead require performance management at a local level.

Legacy challenges

Our acquisitions have led us to inherit assets with specific environmental challenges, particularly at some of our older or formerly state-controlled operations. Our recent efforts have focused on resolving these legacy issues. We are proud that in all cases, we have made substantial upgrades without shutting down production or reducing the size of the workforce. Specific examples can be found in Regional Report: Africa and Regional Report: Europe & CIS.

We participate in a number of supply chains that we do not control directly. For example, we often use third-party services for shipping and storing our products. We engage with our customers, suppliers and service providers to limit the environmental impact throughout the chain.

Site closure

Throughout the life of each operation, it must have a closure plan that is continuously maintained, including appropriate financial provisions. In some cases, operations work to make sure that their host communities understand their closure plans and monitor the social risks and opportunities associated with closure.

Environmental incidents and fines

We are committed to eliminating material environmental incidents and incurring zero fines, penalties or prosecutions.

We classify incidents against a five point scale, from catastrophic (category 5), through major, moderate and minor, to negligible (category 1). The Board HSEC Committee reviews any category 4 or 5 incident with the relevant senior management teams. Lessons learnt are shared throughout the Group.

We also report and record high potential risk incidents (HPRIs, or events that could have resulted in a serious environmental incident).

Zero major or catastrophic environmental incidents were reported in 2014. In 2014, Glencore paid \$790,031 in environmental fines, compared to \$3,261,992 in 2013 and \$111,445 in 2012. The majority of our fines in 2013 and 2014 were related to a single violation of regulations each year at our production facility in Kazakhstan. Our operations have redesigned the processing flow to reduce hazardous residues from our gold ore production and to store these residues in separate, stable storage facilities.

zero

major or catastrophic environmental incidents during 2014

Land use and biodiversity

We own large areas of land around the world; some of our operations are in environmentally sensitive areas. Responsible land stewardship throughout our operations’ lifecycles can influence our legal and societal licence to operate. It also reduces our operational risks and mine closure liabilities.

We make efforts to recognise the cultural heritage of local indigenous people when planning our operations, as we understand that they may have a unique connection with the land.

We respect legally designated protected areas and adhere to associated regulations. Our extractive and agricultural assets do not explore or mine in World Heritage areas. Our operations work to avoid the loss of any International Union for Conservation of Nature (IUCN) Red List threatened species.

We run conservation programmes in areas with complex, vulnerable wildlife ecosystems, ranging from first-aid for wounded or trapped animals, to protective enclosures, to breeding programmes. We also work with local communities to establish patrolling or ranger programmes to protect wildlife.

Our operations incorporate biodiversity considerations into their environmental impact assessments, along with any risks that our impact on biodiversity may have for local communities. When the opportunity arises, we disseminate scientific data and promote practices and experiences in biodiversity assessment. We support the development and implementation of scientifically sound, inclusive and transparent procedures for integrated approaches to land use planning, biodiversity, conservation and mining.

We are committed to ongoing rehabilitation at our mining operations; we generally store and reuse topsoil either nearby, or in progressive rehabilitation. We maintain topographical data to minimise impact on the landscape. Where appropriate we also identify any threats to the area’s biodiversity and help protect species that could be affected. We engage with local communities to identify appropriate closure procedures and ensure that closure activities happen in accordance with appropriate post-mining land use.

We are committed to minimising the environmental impact of our land cultivation while maintaining its long-term productivity. In 2014, we joined several global initiatives researching precision agriculture technologies and other agronomic improvements.

Areas identified as having high biodiversity value include a mining site belonging to Prodeco in Colombia, which is located near the forest reserve of Serranía de los Motilones (a protected area), and Wonderfontein, a coal mining site in South Africa.

Our smelting operation in the Philippines is close to a mangrove forest; we have constructed a protective dike enclosure and maintain a fish sanctuary in partnership with the Department of Environment and Natural Resources.

Part of our US alumina operation is located near the Aransas Federal Wildlife Refuge, the National Estuarine Research Reserve and protected wetlands.

Our Australian Rolleston site is partially located in the protected Brigalow Belt Bioregion, a semi-evergreen vine thicket, brigalow and bluegrass ecosystem.

Our Tweefontein operations in South Africa are situated in the protected Makou pan, a permanent, temporary and seasonal wetland.

Mount Isa Mine in Australia has a regional water source, Lake Moondarra, located within our mining lease, approximately 10km from mining operations. The lake is recognised under several agreements as having conservation value related to migratory birds; it is listed as a wetland of national significance.

Our Koniambo operations in New Caledonia are located in an area of high biodiversity value where 80% of the plant species are endemic, as well as most reptiles in the mine site area. In addition to undertaking progressive site rehabilitation, we produced a detailed biodiversity management plan in 2007, followed by a protected area management plan in 2011 and a rare species management plan in 2014. Our objectives are to avoid net loss of biodiversity and maintain large conservation areas onsite (approximately 825 hectares) that minimise the risk of fire and invasive exotic species and house research into these rare species.

Our Mutanda operation, in the Democratic Republic of Congo, is located in the Basse-Kando Hunting Zone, and at a distance of 5km from the Kando river. Mutanda seeks to limit any impact of its operations through diligent environmental management and progressive rehabilitation plans.

Environment *continued...*



Water is an essential input for our metals & minerals and agricultural activities, and we ship petroleum products and crude oil, as well as vegetable oil, ores and concentrates, over maritime and inland water ways. This makes protecting maritime and inland waters and maintaining access to high-quality water our key water-related sustainability challenges.

We prioritise efficient water use, water reuse/ recycling, responsible waste water disposal and maintaining any equipment that may pose a hazard to water quality. We engage with local water users to avoid material adverse impacts on the quality and quantity of local water sources or compromising their access to water.

We have identified water as a material risk at a number of our assets. The challenges they face include water scarcity, managing surplus water from storms and ensuring water quality. These all carry the additional risk of increasing costs for our assets.

We have analysed each asset’s location using the World Business Council for Sustainable Development water tool, which defines water stressed areas as having less than 1,700m³ of water available per person per year. The results show that about half of our operations are located in water stressed areas: 17 are in regions of “extreme scarcity,” 64 of “scarcity” and 11 of “stress.”

During 2014 we used these considerations to create a Group water strategy, with five primary objectives:

1. Identification and assessment of our material water impacts, risks and opportunities
2. Gaining an understanding of our water footprint
3. Development and implementation of water management plans covering each of our assets’ lifecycles to avoid, minimise or mitigate the impacts and risks
4. Improvement of our water management performance, including identifying and setting water-related targets
5. Ongoing engagement with significant stakeholders and public reporting on our progress

Over the next three years, we plan to focus on:

- Developing and implementing a water management framework that is appropriate for our assets; each asset’s risk profile will determine the stringency of requirements that applies
- Aligning our current water metrics and definitions with applicable reporting standards (e.g. GRI, ICMM, CDP Water, the Water Accounting Framework)
- Introducing an appropriate water balance tool to help high risk assets use a standard approach to reporting water use
- Developing consistent water quality indicators, aligned with relevant international standards
- Collating existing case studies on sound water management practices (e.g. flood management, water diversion, water efficiency methods and technologies) from around the Group; sharing the results amongst our assets

We report to the CDP water disclosure programme every year.

Responsible use of the water we withdraw

Our mining and agricultural operations prioritise water reuse and recycling wherever possible. We work on a regional basis with local communities, authorities, agricultural and other industry users to develop and implement water use strategies that ensure sustainable, equitable access and proper water management between all the stakeholders in the catchment area.

Some of our underground mines have high water content and require ongoing dewatering. We work with local communities and utility providers to use this water to help meet local needs.

Our agricultural products business is taking a number of steps to recycle and reuse water. These include reducing potable water consumption through reuse of process water, and using industrial water as an alternative water source.

65%

In Zambia, the water from our Mufulira underground mine, once treated, accounts for 65% of the local community’s water supply

Water withdrawal by region

(million m³)	2012	2013	2014
Group	724	942	958
Africa:	164	166	176
of which South Africa	10	17	31
of which Africa (excluding South Africa)	154	149	145
Asia	120	157	166
Australia, New Zealand & New Caledonia	41	96	101
Europe	76	109	103
North America	121	130	122
South America	202	284	290

Managing water scarcity

More than half of our operations are located in water-stressed areas. We require sites where water availability poses significant environmental risks to implement water management plans, set water intensity targets and execute water efficiency measures. We develop these plans in collaboration with local communities and other stakeholders, according to the site’s specific operational and environmental context. The individual measures taken to manage water scarcity vary and depend on local specifics, but include:

- Reducing water loss via evaporation
- Replacing purchased water with waste water from other organisations
- Researching new sources of water (e.g. desalination)
- Deepening water storage dams to improve storage capacity
- Establishing water efficiency committees within certain assets
- Improved tailings management (e.g. setting targets for water recovery from tailings)
- Employing best-practice agronomic techniques that improve water-use efficiency

Preventing water contamination

We dispose of our waste water responsibly; we are diligent in maintaining the integrity of equipment that may pose a hazard to water quality. Depending on the type of operation and requirements we treat waste water with processes that include pH neutralisation, the removal of heavy metals, suspended solids, oils and greases. We carefully monitor water discharge at the point of discharge as well as at the receiving bodies

such as rivers and estuaries, to ensure that the quality of the discharged water will not impact local water quality and the natural environment.

We are implementing new technologies to help minimise or eliminate uncontrolled water discharge. For instance, Collinsville coal mine in Australia is pre-treating 20 gigalitres of ground water to remove iron and sulphates before discharging.

Despite our efforts, in 2014 we recorded 32 incidents related to water, some of which may have resulted in spills into rivers or lakes. All have been investigated; we have taken steps to mitigate any negative impact and prevent repeat incidents. See the case study in Regional Report: Africa.

Marine water contamination

Our marketing operations maintain a large fleet of owned and chartered vessels. To avoid spills and water contamination, we have minimum requirements for the vessels we own. Our chartered vessels are vetted in accordance with our chartering standards. The vessels we use are double-hulled, an important measure to prevent leakage.

In the unlikely event of a spill, our emergency response plans are designed to minimise damage.

Our operational and maintenance procedures are aligned with relevant international standards, including the OCIMF/ICS guidance and MARPOL regulations and the Ballast Water Management convention for all ballast water exchanges.

Environment *continued...*



Waste management

To avoid or minimise any adverse impact on the environment or our surrounding communities, our operations continually review their waste management and identify opportunities for improvement.

Most of our waste is mineral; this includes tailings, slag and rock. Our operations have rigorous waste management systems to dispose of waste while preventing environmental contamination.

Our metal and coal assets generate tailings, which are stored in purpose-built tailing storage facilities. The tailings are placed in specially designed ponds filled with tailings and water; over time, the water evaporates while the tailings settle, eventually filling the dam. At this point, the dam is capped, sealed and rehabilitated.

We reuse as much waste as possible. For example we use waste rock to backfill our mines, and fill roads with non-hazardous tailings.

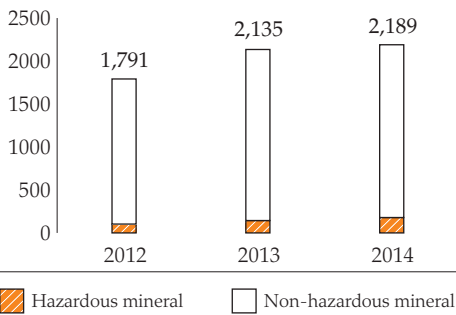
Our tailings facilities are monitored continuously to ensure integrity and structural stability. Flooding and seismic activity are the main natural phenomena that may affect them.

In 2014, we conducted a survey of all Group tailings dams, supervised by the HSEC Committee. We have over 140 tailings storage facilities, mostly in Australia, Canada and South Africa, at different lifecycle stages: under construction, operational and post-rehabilitation. Following this survey, the HSEC Committee required all above-ground tailings facilities to have an independent inspection report that is no more than three years old. As of March 2015 all assets have fulfilled this obligation, except one that is preparing for an independent inspection in 2015.

During 2014, our hazardous and non-hazardous mineral waste totalled 2,189 million tonnes, a slight increase on the total for 2013. Hazardous mineral waste increased 20% year on year, mainly due to the reclassification of waste at Kazzinc following amendments to Kazakhstan’s environmental code. On 1 January 2015, the regulation was reversed, resulting in the classification of waste materials returning to their previous definitions.

Mineral waste: hazardous, non-hazardous and recycled

Hazardous/non-hazardous mineral waste
Million tonnes



Mineral waste recycled
Million tonnes



Air quality

Wherever we operate, we comply with relevant regulatory limits and international standards for air emissions.

15 assets began implementation of new infrastructure and programmes to reduce fugitive dust emissions during 2014; the majority within our coal division. In addition 12 assets, mostly from our zinc department, are working to reduce stack emissions.

In 2014, we completed a multi-year smelter upgrade project at our Mopani copper mine in Zambia. The long-term upgrade was completed 15 months before the deadline agreed with the Zambian government, and with no disruption to site activity. It allows us to capture 95% of Mopani’s SO₂ emissions.

Our smelters at Mount Isa in Australia release SO₂ emissions. Working with the Queensland government and the local community, this operation has developed a rigorous air quality monitoring and management system. It measures SO₂ levels at various monitoring locations around the local community and reduces or suspends production when certain levels are reached.

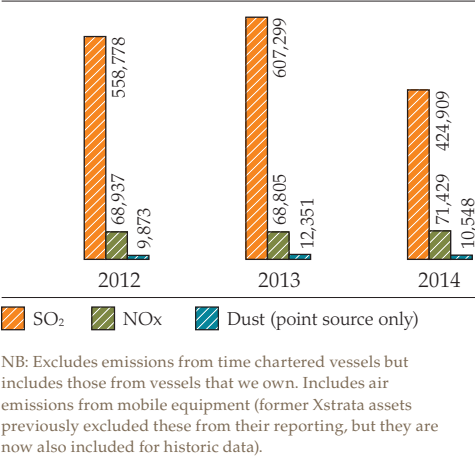
Our opencut operations emit dust (also referred to as particulate matter or PM) from excavation and movement of material. We monitor dust levels at affected communities and minimise dust in a number of ways that includes construction of berms to prevent dust travelling to communities, optimising our blasting activities, watering our haul roads and using protective coatings on waste storage facilities.

Our SO₂ emissions in 2014 totalled 425 thousand tonnes, compared to 607 thousand in 2013. This decrease is primarily due to completion of the smelter upgrade at Mopani in Zambia (see Regional Report: Africa for a case study). Our 2014 NO_x emissions increased from 69 thousand tonnes in 2013 to 71 thousand tonnes, mainly due to operations starting at Koniambo. Our dust emissions were recorded as 11 thousand tonnes in 2014, compared to 12 thousand in 2013, with the decrease primarily due to improved monitoring methods at Mount Isa.

Mopani SO₂ capture ratios over time

2000 (year of acquisition)	0%
2013	48%
2014 Q1	53%
2014 Q2	68%
2014 Q3	94%
2014 Q4	95%

Emissions: SO₂, NO_x and dust
Metric tonnes



Environment continued...



Climate change and energy

As national economies grow, so does global energy demand. The need for secure, affordable energy is universal; it is a pivotal factor for nations to achieve their socio-economic goals. In the developing world, access to energy is key to improving living conditions, education, healthcare provisions and economic development.

We believe that fossil fuels will continue to play a significant role in the global energy mix, but we also recognise that producing and using these fuels contributes to greenhouse gas (GHG) emissions. Climate change issues are now part of the political, societal and regulatory landscape. Companies, governments and society must work together to find realistic ways to reduce global GHG emissions at the lowest possible cost.

We are committed to playing a constructive role in the development of public policy for climate change and energy; an important part of this is engaging with stakeholders and supporting constructive and informed public debate.

We openly and transparently disclose our carbon and energy footprints and participate in the CDP Climate Change programme.

We divide our CO₂ emission reporting into three different scopes, in line with the Greenhouse Gas Protocol. We measure direct and indirect emissions generated by the assets, entities and facilities in which we have a controlling stake.

During 2014, we emitted 23.2 million tonnes of Scope 1 (direct) CO₂. This figure includes emissions from the fuel and reductants used in our metallurgical smelters, and from the incineration

of biomass. This year, biomass incineration accounted for 4.3% of our total Scope 1 CO₂ emissions. The figure also includes the carbon dioxide equivalents (CO₂e) contained in methane emissions from our operations, which account for around 30% of our Scope 1 emissions. The figure excludes emissions from time-chartered vessels, as we now consider these Scope 3 since we do not operate the vessels.

We emitted 13.4 million tonnes of Scope 2 (indirect) CO₂, arising from our use of purchased electricity, steam or heat. For further details on our CO₂ emissions, see the GRI databook in Appendix 1.

We work to mitigate and manage any physical impacts of climate change that we can affect. Our assets continually assess their emergency preparedness, which include preparations for extreme weather events. Where such events are expected to increase in frequency, our operations update their design. In one example, our nickel mine in Arctic Canada has created a steering committee of internal and external experts, which has reviewed and updated tailings storage design to allow for possible thawing of local permafrost.

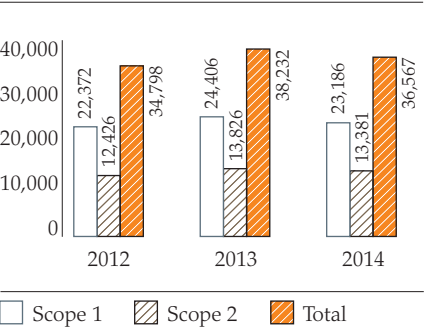
We also work to reduce the GHG emissions from our industrial activities in many ways, including the use of waste for power and cooling. Wherever we operate, we seek to manage our energy and carbon footprint.

We actively support the development of low emission technologies and prioritise renewable energy sources where practicable; there are case studies about our activities on our website: www.glencore/sustainability

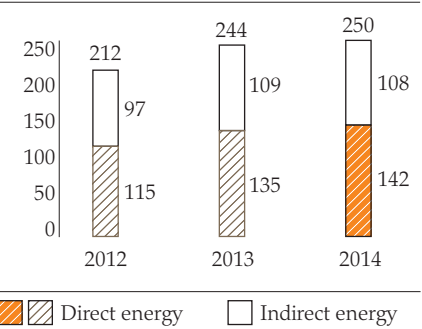
78%

Our Bukhtarma hydroelectric plant in Kazakhstan is a significant source of renewable energy, supplying 78% of that operation's electricity requirement in 2014

Scope 1 and 2 CO₂ emissions
Thousand tonnes



Energy usage
Petajoules



Energy

Many of our assets use energy intensively; it is a significant component of our total operational costs. As such, we aim to continually improve energy efficiency across the Group. Our commodity businesses have bespoke energy efficiency plans and carry out regular energy audits.

In a change from previous years, our 2014 calculations for energy requirements exclude those from time-chartered vessels (which we do not operate). We also exclude the energy contained in reductants. This has resulted in a restatement of figures published previously.

Our net 2014 total energy usage was 250 PJ, an increase of 2% on 2013. This slight increase was due to various projects ramping up towards full production.

Climate change and coal

Coal remains the single largest energy source for the global power sector, as a relatively safe, reliable and low-cost fuel. According to the International Energy Agency (IEA), coal was the fastest growing major fuel over the last decade, supplying nearly 50% of the increase in global energy demand between 2002 and 2012. We expect growth in electricity demand to drive a steady increase in thermal coal demand, particularly in developing Asian economies. This role is expanded by its increasing use in gasification and the production of petrochemicals.

As a major producer and marketer of coal, we have an important role to play in ensuring our product is produced safely and used responsibly.

Our operations have proven that they can manage coal qualities flexibly enough to meet market opportunities or requirements.

We engage with governments to advocate that policy decisions should be based on sound scientific and economic analysis, both directly and through membership of the World Coal Association and local trade associations.

Low emission technologies can ensure that fossil fuels have an important role in reducing global emissions, including highly efficient low-emission coal power generation technologies. We have financially supported development of these technologies, including the Callide Oxyfuel Project in Australia. Some of our customers use our coal to feed highly efficient power plants (ultra super critical units) that can produce emissions that are 40% lower than average coal plants.

Our continuous investment in mining innovation and technology has already reduced our coal-related emissions. In terms of fugitive methane emissions, our Australian coal operations have abated approximately 8.8 million tonnes of CO₂e since 2010, and nearly 2.5 million tonnes in 2014 alone.

We do not believe that carbon constraint policies are likely to affect the global demand for coal in the next two to three decades, as national governments are unlikely to compromise future energy security, economic growth or national trade competitiveness. Balancing growing demand with climate change concerns will require a range of energy sources, including renewables and nuclear.

We believe that cleaner energy will be derived by mixing renewable sources with the increased efficiencies and emission controls of advanced coal technology, a range of low-emissions technologies and advances in carbon capture and storage. Combined with Glencore's competitive advantage in the market place, this leads us to anticipate full utilisation of our fossil fuel reserves.

Looking forward

- Deliver the various elements of our water strategy
- Ensure all above-ground, pre-rehabilitation tailings dams have been independently inspected every three years

Product stewardship



We aim to deliver competitively-priced commodities that meet our stakeholders’ needs and add societal value around the world, while progressively reducing any risks associated with the use of our products.

The opportunity

To deliver high quality products, quickly, consistently and at a competitive price, to our customers around the world.

Our ambition

To understand and manage any health, environmental and social impact associated with our products, to pass this information along the supply chain, and ensure our continued licence to market them.

“Our site and product-specific programmes and sector-leading systems ensure that only compliant products reach the market.”

“We engage with our customers to help them understand the properties of our products.”

“We work with regulators and others to promote safe, efficient use of our products and technologies around the world.”

Key activities

Safety assessments of all product properties during use

Improved safety datasheet authoring for better control and responsiveness

We support our customers with 200+ separate safety datasheets

Ongoing assessment of our products’ hazard and safety properties

Developed a Group SafeProduct newsletter on product stewardship regulation changes

Developed and distributed our Group Product Stewardship Policy

Engagement with business partners, industry associations and other stakeholders to enhance our products’ societal benefits and minimise negative impact

Continued compliance with all applicable regulation

Product stewardship *continued...*

We are committed to fully understanding the health, environmental and societal impact of our products; this is enshrined in our Group product stewardship policy. It improves our knowledge of our products' qualities, which is reflected in how we produce, transport and store them. We promote this knowledge by participating in industry consortia and regulation development, and through engagement with our customers.

We help our stakeholders understand our products

We have worked with experts, industry consortia and our peers for many years, to improve understanding of our products' properties and their impact throughout their lifecycle. This helps us to ensure their compliance with international standards, including REACH. We capture this information in material safety datasheets, which we have developed for all our products and that reflect the classifications developed by consortia such as REACH, ECHA and others.

We have produced over 7,000 datasheets, including variants for different languages and legal entities, held in a centralised database that is fully integrated with the systems used by our marketing and sales teams in many regions. In these regions, when one of our marketers attempts to bring a product without REACH clearance into a port, our product stewardship team receives an automatic alert. We require sufficient information to check the product before shipping can take place. The database also automatically issues the correct datasheet to each customer on purchase. Datasheets are available in all 24 official EU languages and, where appropriate, additional languages such as Mandarin, Japanese and Korean.

In addition to our general global compliance programme, we have site-specific programmes to ensure we meet local or product-specific regulation. For instance our CCR refinery in Montreal, Canada, has been certified as a Good Delivery Refiner after implementing the requirements of the London Bullion Market Association (LBMA) Responsible Gold Guidance. The LBMA guidance requires high standards of due diligence to combat systematic or widespread human rights abuses, which can contribute to conflict. The due diligence also supports compliance with anti-money laundering and combat terrorist financing practices.

CCR addressed these requirements in 2012, by developing and implementing a responsible global supply chain policy specifically for gold from conflict affected and high risk areas. All of our people responsible for due diligence in the gold supply chain must take part in a specific training programme. CCR has identified the risks associated with each of its suppliers and carries out supply chain due diligence before entering into any new contract.

CCR publicly reports on its gold supply chain due diligence policies and practices.

7,000+

safety datasheets
(including variants for
different languages and
legal entities) held in our
centralised database

Supporting innovation in product efficiency and safety

We participate actively in industry consortia to support research and innovation. We are represented on the boards of the Nickel Consortium Group and Cobalt REACH Consortium. We engage actively with REACH authorities and the International Maritime Organisation to contribute to the understanding of materials testing and the hazards associated with ore and concentrate shipping.

Our assets in Canada have a recognised history of good practices and systems for sulphuric acid handling and management. The team has contributed to the US Responsible Care® Programme for many years. These systems have now been rolled out across all Glencore acid management facilities, and we offer our customers training to encourage and promote the safe handling of acid.

Our farming assets are committed to minimising our arable land cultivation's impact on the environment, while maintaining its long-term productivity. Our operations keep up to date on good agricultural practice, including precision agriculture technology. We contribute to the development of specific technologies and programmes such as Variable Rate Technology (VRT), a precision agriculture approach that minimises input use while sustaining yields. We regularly share findings from this programme with the wider farming community.

Our agricultural operations in Canada and Australia work closely with industry groups to address the increasing global demand for safe, reliable food sources. We participate in the Canadian Roundtable for Sustainable Crops to work towards sustainability in the Canadian crop supply. In Australia, we participate in the National Working Party on Grain Protection, and take part in the activities of the Plant Biosecurity Corporate Research Centre, studying harvested grain integrity.

Ensuring integrated product management throughout our value chain

We are committed to addressing product safety considerations in all our extraction and production processes. This includes efforts to minimise greenhouse gas (GHG) emissions at our coal assets and to maximise reuse of our waste products. One example is our work with ferrochrome slag at our mines in South Africa, for which we have now received regulatory marketing approvals.

Our industrial assets work closely with our marketing teams; our traders regularly visit industrial sites, and we promote the development of cooperative networks to ensure the concept of lifecycle management is incorporated in all phases of production and marketing. Our traders also meet with our customers regularly to share process safety and good practice advice.

The relationships our traders build with our customers provide opportunities for waste minimisation on a global scale. Our traders work with each site to ensure our production levels match market demand and stakeholder need, helping to minimise waste. We track supply and demand across our global resource portfolio to help optimise the quality of our products and maximise resource recovery. Tracking demand helps us blend materials and manage concentrate quality to optimise smelter efficiency and reap significant cost savings.



*Below:
Tapping the furnace
at the Lion smelter
in South Africa*

Product stewardship *continued...*

Promoting the safe and efficient use of our products

We share understanding of our products' value chains and associated risks with our peers, customers and other stakeholders. We help our customers implement their own material stewardship strategies, inform them of regulatory decision-making and generally help minimise risk to human health and the environment.

For instance, we provide clients in the US electronics industry with documented evidence showing that our products are free from minerals sourced from conflict-affected and high risk areas. This helps them ensure their compliance with the Dodd-Frank Act. We provide similar evidence to support compliance with other legislation, such as the ROHS directive and REACH.

We inform regulation by sharing our understanding of the lifecycle impacts of our products with regulators. In Kazakhstan our study of cyanide and arsenic waste management helped inform development of relevant national regulation. We also engage regularly with regulators around the world on climate change regulation, to ensure a correct understanding of the energy and emissions profile of our products.

Engaging with regulatory developments

We actively engage with key stakeholders regarding regulatory developments that impact product stewardship.

Following the implementation of Dodd-Frank's Section 1502 on conflict minerals in the US, the European Union is currently investigating and debating whether similar legislation should be developed in Europe. We are engaging with members of the European Parliament, policy advisers and member state representatives specifically on this topic.

Our discussions have focused on the scope of reporting: the minerals and regions to be included in any future reporting requirements. We are advocating an approach that reflects both existing regulations and voluntary initiatives. We believe that any EU legislation should not go further than the minerals covered by the Dodd-Frank regulation and other schemes, such as the Organisation for Economic Co-operation and Development (OECD) *Due Diligence Guidance for Responsible Supply Chains for Minerals from Conflict-Affected and High-Risk Areas*. Developing conflicting regional legislation will complicate and potentially undermine the impact of responsible sourcing schemes.

It took time to develop the existing sourcing mechanisms for tantalum, tin, tungsten and gold (referred to as 3TG) and the corresponding OECD due diligence supplements. It will take even more time to ensure these schemes become fully operational. Covering additional minerals and regions would, in our opinion, be counter-productive.

We believe that the challenges of responsible sourcing from conflict-affected areas are global; a global solution is required to address the situations that lead to conflict. Any legislation or guidance developed by the European Union should not create suspicion of companies that use raw materials from conflict regions and a *de facto* trade embargo for minerals from areas affected by conflict. A blanket ban on minerals from conflict-affected regions will not address the conflict and will lead to increases in unemployment and social unrest, as well as the deterioration of peoples' livelihoods.

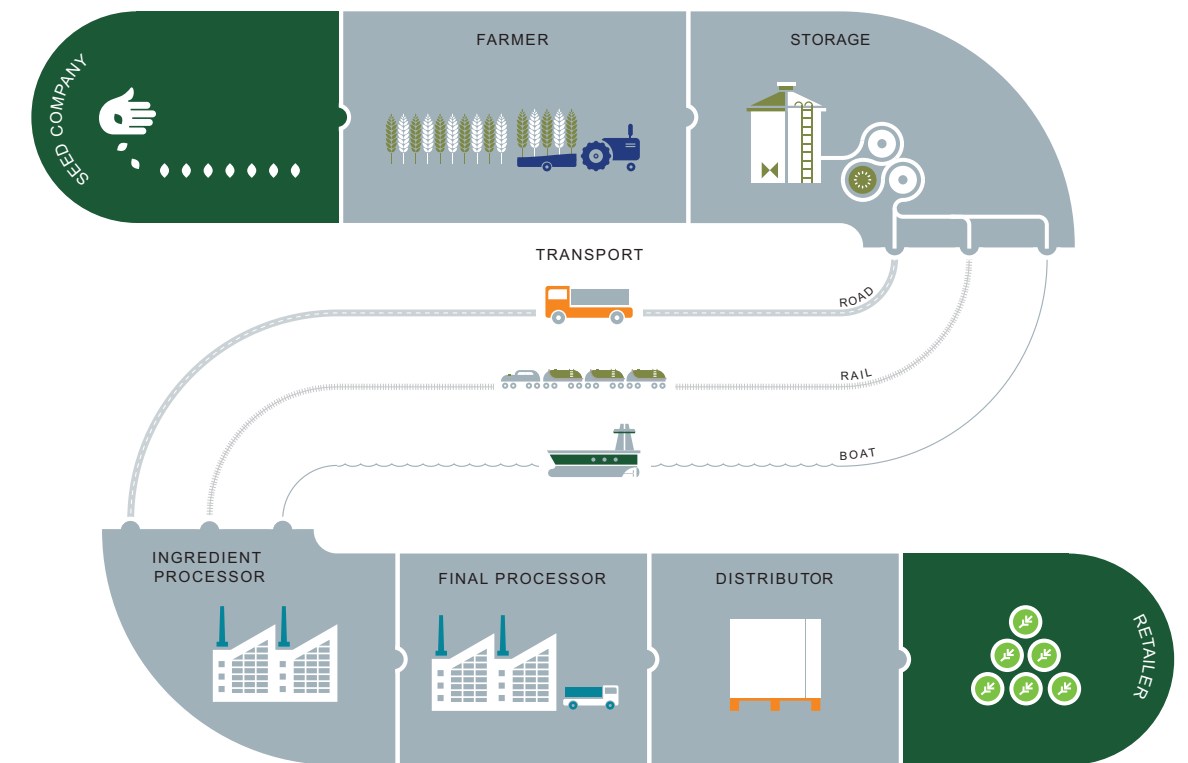
*Below:
Harvesting at Balaklava,
Australia*



Our agricultural product supply chain

Our integrated product supply chain allows us to ensure quality control checks and product safety management at every stage of the supply process within our agricultural business.

- Our agricultural products business markets grains, oilseeds, biofuel & byproducts, vegetable oil, cotton, rice and sugar cane commodities
- Our 400 assets include arable land, silos, ports, mills, and processing of oilseed, biodiesel, sugar cane and rice
- Our 15,000 employees and contractors (with approximately 300 at our Rotterdam HQ) worked 26.8 million hours in 2014
- The business is divided into four regions, with marketing offices in 31 countries



Looking forward

- Further refine and formalise our product stewardship strategy
- Assess Korean REACH obligations and prepare to ensure compliance
- Ensure our mixtures are classified in accordance with EU regulations on classification, labelling and packaging of substances and mixtures before 1 June 2015

Regional reports:

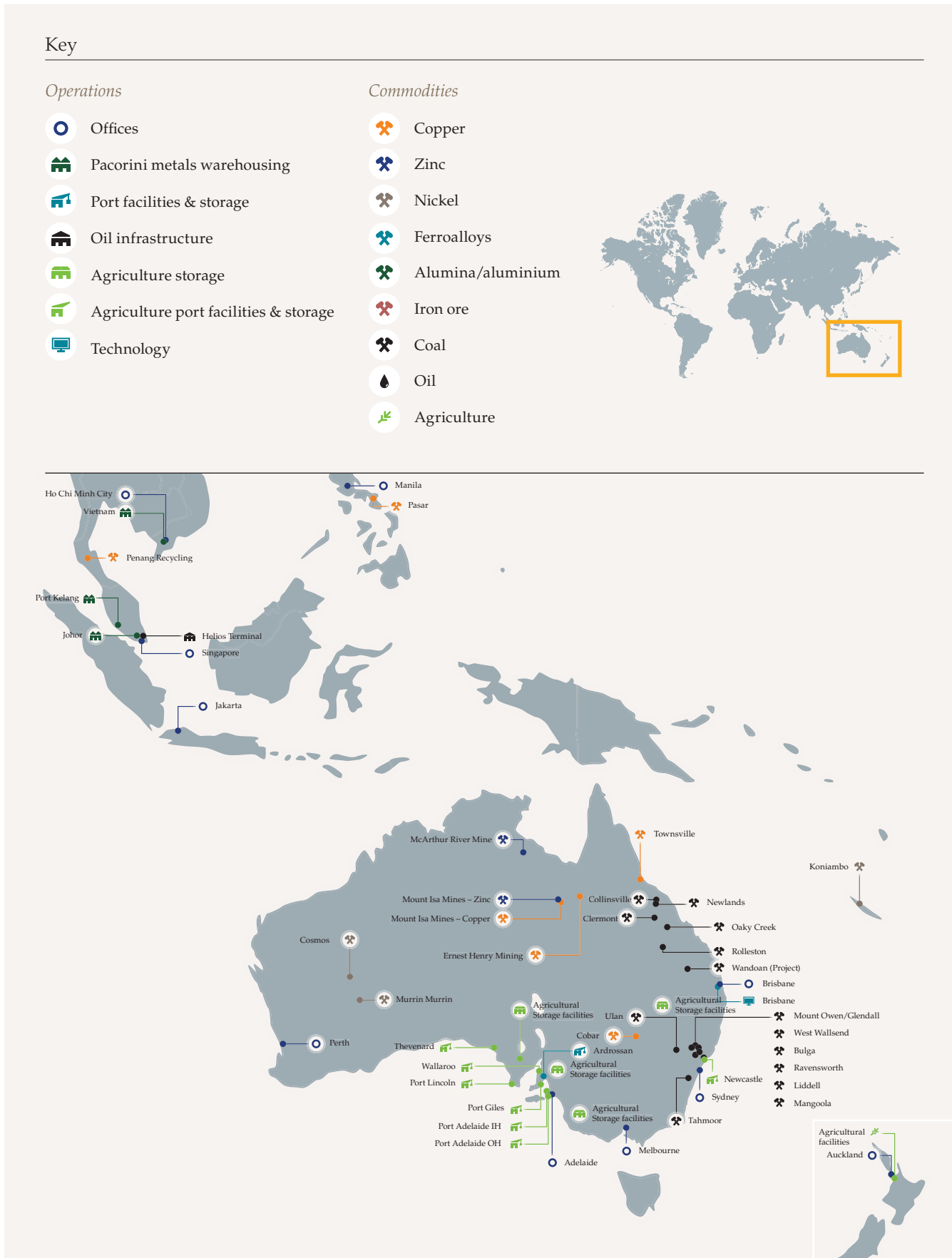
We have operated in Australasia for over 15 years and hold significant interests in a range of commodity industries across the region, with a workforce of around 21,000 employees and contractors.

Highlights

- We are Australia's largest thermal coal producer
- We are one of the leading exporters of Australian grain and operate world-class agricultural product storage and port terminal assets across the country
- We mine the world's largest zinc resource base
- We operate Australia's deepest and highest-grade underground copper mines
- Our pioneering technology business has developed significant innovations in metal smelting and refining technology, and marketed these to the global mining industry
- Mount Isa Mines, our iconic 90-year-old copper and zinc-lead-silver operation, is Australia's largest mining and processing facility
- Our Murrin Murrin hydrometallurgical project is the world's only single-site laterite nickel producer

KPIs

	2014	2013	2012
Workforce	20,897	21,535	25,533
Fatalities	1	2	1
LTIFR	2.05	1.86	1.67
Scope 1 GHG emissions (thousand tonnes)	11,075	11,328	10,881
Scope 2 GHG emissions (thousand tonnes)	2,225	2,048	1,974
Energy use (PJ)	54	48	43
Water withdrawal (million m³)	101	96	41
Community investment (\$ million)	10	16	30
Payments to governments (\$ million)	1,832	1,115	1,219



Australasia *continued...*

Determining materiality

We compared our performance to our HSEC strategy for Australia, reviewing internal and external factors. These include emerging HSEC trends in the context of the Australian landscape and a review of our current performance, as well as our environment and community risk assessment processes. We considered media coverage and our external communications programme, plus government policy developments and regulations. Our assets hold regular community information sessions, run community perception surveys every three years, and give feedback on significant stakeholder issues.

Material issue	Stakeholders	Case studies
<div>Safety</div> <div></div>	<ul style="list-style-type: none">• Employees• Unions• Government	<p>Safety in higher-risk activities:</p> <p>We are introducing standard work permits for employees and contractors across our Australian coal assets. This allows consistent risk management for higher-risk activities, such as working at height, confined space entry and trenching and excavation. It also ensures work is in line with minimum requirements regarding our fatal hazard protocols, industry codes of practice and relevant state legislation and national and international standards.</p>
<div>Our people</div> <div></div>	<ul style="list-style-type: none">• Employees• Unions	<p>A safe and supportive workplace:</p> <p>Before starting work, our Australian seasonal agricultural workers are inducted and trained on a range of health and safety topics via a mandatory online eLearning platform. Training covers topics such as wearing appropriate PPE and the identification and assessment of risks and hazards. Training is also provided in the prevention of bullying and harassment, and the appropriate use of social media, to ensure a holistic approach to developing and maintaining a positive safety culture. In addition, workers receive comprehensive on-the-job training for their individual roles. All new seasonal workers undergo a pre-employment medical to ensure that they are physically able to perform the role safely.</p>
<div>Environment</div> <div></div>	<ul style="list-style-type: none">• Community• NGOs• Government	<p>Air emissions</p> <p>Mount Isa Mine’s smelters are adjacent to the City of Mount Isa and have one of the most intensive air quality monitoring and management systems of any city in Australia, with 13 real-time air quality monitors checking SO₂, dust and other contaminants across the city and surrounding areas. Our team have meteorology training to understand emissions dispersion modelling and predict weather changes.</p>
		<p>Waste management</p> <p>> <i>See the case study on continuous improvement of waste management.</i></p>
		<p>Working with local water users</p> <p>Unusual weather patterns can dramatically affect water availability at our Australian operations. The two primary water sources for our Mount Isa copper/zinc operations were severely affected by two failed wet seasons, with water reserves reaching all-time lows. These water sources also serve the local community. We worked with the city council on water management initiatives, invested in sink bores at local parks, and restricted our use of local water sources to protect the community’s primary water supply.</p>
		<p>Climate change</p> <p>> <i>See our website for details of our activities related to climate change.</i></p>
<div>Community</div> <div></div>	<ul style="list-style-type: none">• Community• NGOs• Government	<p>Development initiatives in Aboriginal communities</p> <p>We are working with our Aboriginal neighbours to develop targeted training and employment programmes, support business development and preserve cultural heritage. Mount Isa Mines supported the local Kalkadoon people as they applied for formal recognition as traditional land owners. Today, we are helping the Kalkadoon people by investing in traineeships that lead to employment opportunities, increasing aboriginal and cultural awareness across the operations, and supporting local indigenous initiatives.</p>
		<p>Supporting Aboriginal communities</p> <p>> <i>See the case study on supporting indigenous people in the Hunter Valley.</i></p>
		<p>Community engagement during project development</p> <p>Koniambo Nickel, in New Caledonia, prioritised community engagement during the 10 years it took to construct this greenfield asset. We have ensured that local stakeholders understand the full impact of mining and processing activities through public update meetings, many with local indigenous people. Following tribal custom, general discussions are public, while detailed or sensitive matters are discussed with the Council of Elders alone; this often includes the Council visiting our site. These meetings demonstrate that we are implementing stringent safety and environmental standards and the highest levels of monitoring. We have a transparent grievance process that responds promptly to any community concerns. The Koniambo Environment Committee, which includes government, tribal and community representatives, is highly involved in environmental monitoring, along with customary leaders.</p>
<div>Payments to governments</div> <div></div>	<ul style="list-style-type: none">• NGOs• Government• Media	<p>Taxes and royalties paid by the mining industry</p> <p>> <i>See our website for details of our tax payments in Australia:</i> <i>www.glencore.com/public-positions/paying-tax-transparently/how-we-pay-tax-in-australia/</i></p>

Supporting indigenous people in the Hunter Valley



Our projects and operations in Australia are often located in or near communities with a higher proportion of indigenous people within their populations compared to the Australian average. We recognise the challenges these communities face, and operate a range of programmes that seek to close the socio-economic gap by supporting education, employment and sustainable business opportunities.

Our coal mines in the Hunter Valley, New South Wales, worked with Reconciliation Australia, an NGO that promotes better relationships between the wider Australian community and Aboriginal and Torres Strait Islander peoples, to develop a Reconciliation Action Plan. This details our commitments to address the challenges faced by the surrounding Aboriginal communities; most of these action plans have an emphasis on closing the socio-economic gap.

We launched our first action plan in 2012; as part of this process, we worked with the Aboriginal community to better understand the challenges it faces, and to identify ways in which our operations can help. A second action plan was launched in 2014, which builds on the first to focus on:

- Building and strengthening relationships with the Aboriginal community
- Promoting cultural awareness and understanding
- Skills development and training
- Education; social and community involvement
- Business development

Specific actions include providing school bursaries for Aboriginal children; identifying and including Aboriginal business owners in our local procurement activities; and promoting Aboriginal heritage and culture within our workforce.

Koniambo: demobilising project resources



In 2010, we started planning for the end of the construction phase at the Koniambo nickel project in New Caledonia. This included a strategy to mitigate the social impact of this demobilisation, such as recognising the need to redeploy individuals and companies.

This construction phase, referred to as the Koniambo Project, was a joint venture with Hatch Technip. At its peak, it employed 2,250 local people, of whom around 80% were from the North Province of New Caledonia, where the asset is situated. Of these local employees, 1,700 were on non-ongoing contracts that ended when the construction phase was completed. These employees tended to be young (65% under 40), female and without formal qualifications.

Working in partnership with local government representatives, the demobilisation team developed a programme to assist those whose contracts had ended. The programme was called REACTION, and was based on two key pillars:

- **Information and advice:** providing support, including job counselling, for employees scheduled for demobilisation
- **Business support service:** supporting suppliers to better position themselves in new sectors

During REACTION’s three years, we held meetings with around 80 companies and over 2,000 employees. 824 people received individual coaching and assistance.

REACTION’s employee information and advice service established a number of initiatives to mitigate the impact of demobilisation including:

- The MICROPROJECT information meeting: this provided support for demobilised employees to establish their own businesses
- Job-seeking, CV, and interview preparation workshops, to help develop job hunting skills
- Skills development schemes: one offered 43 demobilised workers the chance to train for their basic driving licence (a requirement for many New Caledonian jobs); it proved such a success that there was a waiting list for participation

As a result of the steps taken by the team at Koniambo, there was no negative industrial action during the demobilisation phase, which took place over a four-year period.

Australasia *continued...*

Continuous improvement of waste management



McArthur River Mine is a zinc-lead mine in the Northern Territory, Australia. When it transitioned from underground operations to opencut mining in 2006, approval was conditional on the appointment of an independent environmental monitor for the life of the mine. The most recent report from the independent monitor, covering the operational period of 2012 to 2013, was based on the monitors’ review of environmental assessments, audits and monitoring data undertaken by us and by the regional government.

The report noted a number of successes in waste management including:

- Installation of a siltation pond at Barney Creek bridge that reduced contaminants entering the creek, with notable reductions in lead and zinc levels
- Additional monitoring of ground and surface water and revision of the water balance model
- Development of an interim cover for the tailings storage facility (Cell 1) and installation of various seepage control measures
- Construction of an interim clay cover for waste rock material on northern overburden emplacement facility before the wet season
- Implementation of comprehensive overburden characterisation programme, including the identification of management actions to address the change in geochemical risks
- Ongoing improvements to minimise fugitive dust emissions

In the period between the 2013 report’s compilation and its publication in late 2014, we addressed a number of concerns it had raised. This included actively meeting the challenge of mitigating emissions from waste rock (the result of a naturally occurring reaction when pyrite-rich rocks have contact with air and water). This is now under control; emissions have almost completely stopped and our current air quality monitoring data shows no risk to the surrounding community in Borroloola.

Reclassification of overburden

Overburden is one of the chief waste materials in open cut mining. It includes some topsoil, clay and various non-commercial rock types; these are not treated but must be removed to reach the ore.

We worked with specialists performing extensive tests to understand the properties of the overburden at this asset. The most important results include overburden oxidisation, through contact with air and water, which can lead to a leachate liquid forming that contains acid. Previously we used three classifications of overburden: alluvium (or clays), non-acid forming (NAF) rock and potentially acid forming (PAF) rock. Now six classifications are used, two of which have benign properties and four have non-benign properties.

This re-classification led us to redesign the overburden emplacement facility; this process will include extensive consultation with traditional owners, other community members and other stakeholders.

Opposite: Monitoring water quality at Mount Isa Mines, Australia



Regional reports: South Africa

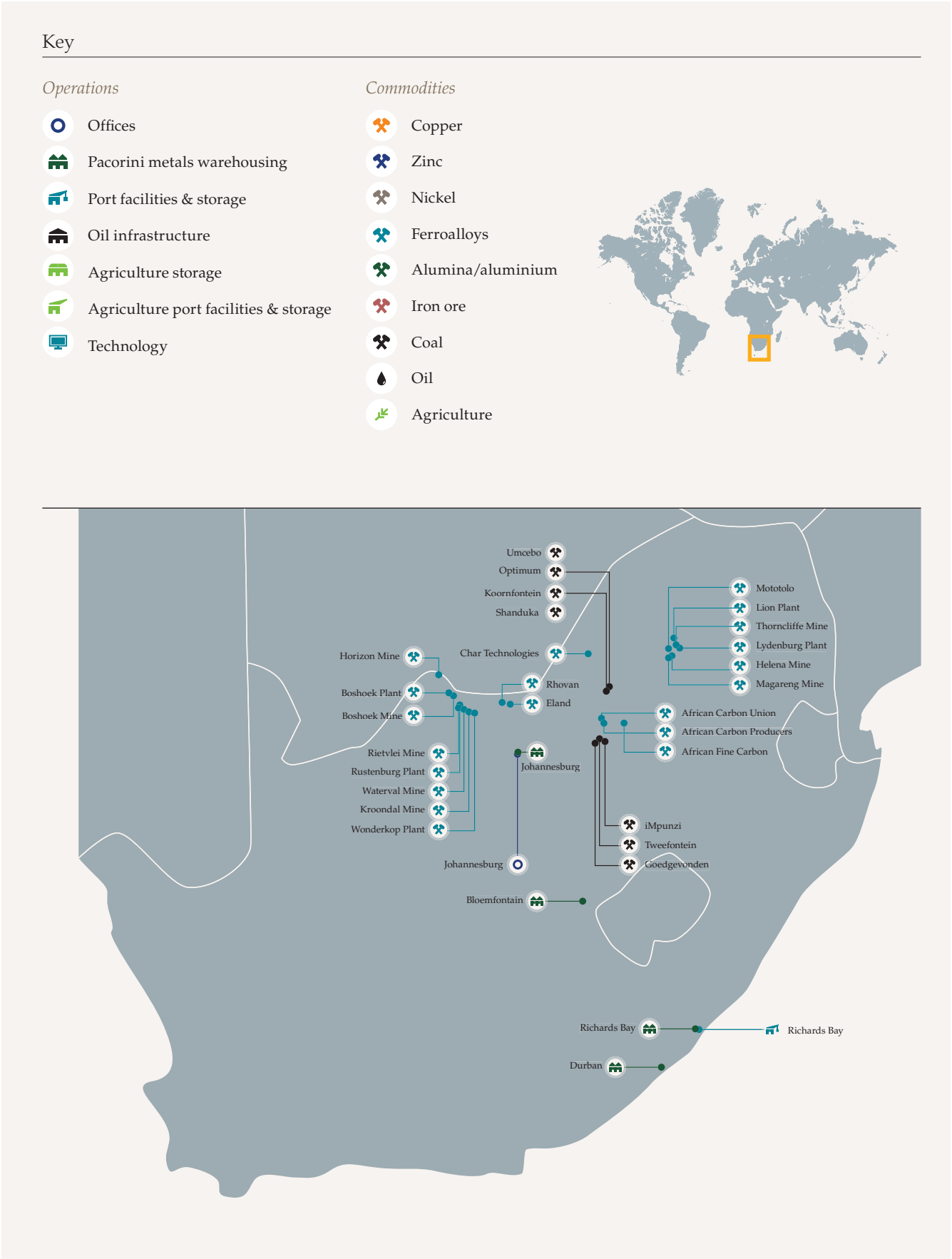
We began marketing activities here in 1974, and mining in 1988. We now have a strong presence in the coal and ferroalloys sectors. We are a major contributor to local, provincial and national economies and one of the country’s biggest employers, with a workforce of around 35,000 employees and contractors.

Highlights

- We are South Africa’s largest exporter of thermal coal
- We are one of the largest contributors to the country’s energy security, through long-term coal supply agreements with local electricity producer Eskom (20 million tonnes per annum)
- We operate Tier 1 coal assets, including the Wonderfontein and Tweefontein coal complexes
- We are the world’s largest ferrochrome producer
- Our pioneering use of low-cost ores, reductant optimisation, and reduction of energy consumption through our proprietary Premus technology, contributes to low-cost ferrochrome production

KPIs


	2014	2013	2012
Workforce	35,338	43,371	41,400
Fatalities	2	2	1
LTIFR	1.25	1.29	1.49
Scope 1 GHG emissions (thousand tonnes)	4,635	6,213	5,047
Scope 1 2 GHG emissions (thousand tonnes)	6,053	5,596	4,467
Energy usage (PJ)	40	40	28
Water withdrawal (million m³)	31	17	10
Community investment (\$ million)	12	10	14
Payments to governments (\$ million)	142	1,104	2,146





South Africa *continued...*

Determining materiality

We take feedback from our many engagement programmes, especially our regular community meetings, where NGOs and journalists join local community representatives. Our businesses participate in multi-stakeholder community consultative forums with local community groups, regional authority representatives and relevant stakeholders. We also engage with industry bodies, such as the Chamber of Mines of South Africa and Coaltech.

Material issue	Stakeholders	What is the issue?
<div><i>Safety</i></div> <div></div>	<ul style="list-style-type: none">• Employees• Unions• Government	Rolling out the SafeWork initiative Our alloys business has a tailored variant of the SafeWork initiative, called SafeAlloys. As we have rolled SafeAlloys out across our South African alloy sites, we have adapted the programme to suit the needs of the local workforce and working culture. Having deployed the standard training materials, we found that although our people learned the fundamentals, such as the life-saving behaviours, they found it hard to internalise and take ownership of the formal protocols without more context. We developed a way of telling and exchanging stories that personalise the essential elements of SafeAlloys by linking them to our employees’ life experience and real accidents at the assets. This method is more in line with our workers’ traditional ways of learning and helpful for those with lower literacy.
<div><i>Our people</i></div> <div></div>	<ul style="list-style-type: none">• Employees• Unions• Community	A holistic approach to employee health Both our coal and alloys businesses have developed and implemented wellbeing programmes at their sites, specifically designed to reflect the key health issues in their businesses. Coal’s wellbeing programme recently celebrated its 10-year anniversary and has won the Global Business Coalition award three times. The initiative ensures that every coal employee takes responsibility for their wellbeing through education on various health risks (including hypertension, diabetes, HIV, TB) and participation in health risk assessments, which include HIV counselling and testing.
		Industrial relations in South Africa > <i>See the case study on our approach to industrial relations.</i>
		Tackling HIV/AIDS > <i>See the case study on how we are tackling HIV and AIDS in our workforce and local communities.</i>
<div><i>Environment</i></div> <div></div>	<ul style="list-style-type: none">• Employees• Unions• Government	Meeting new government legislation The South African government introduced new waste management legislation in 2014, which resulted in slag, (a waste material produced by our ferrochrome smelters) becoming a saleable material. Our Lydenburg ferrochrome smelter is implementing an environmental management plan (EMP) that includes increased slag and contaminated water storage capacity as part of its integration of waste and water management. This will allow the operation to meet the new legislative requirements and continue to operate. To reduce Lydenburg’s significant stockpiles of waste slag we are selling it for use in the construction industry as an aggregate. As a result, there will be a significant reduction in waste material.
		Water management South Africa is a semi-arid and water-scarce country with a mean annual rainfall that is half the global average. Our Thorncliffe, Helena and Magareng chrome mines, like others in the area, take water from the Dwars river. We installed a ZAR5 million (\$460,945) treatment plant to treat Dwars river water and meet potable water requirements. This water is used at the mines as drinking water, reducing our water withdrawal from boreholes and allowing them to recharge. Local communities can now access borehole water without impacting the aquifer.
<div><i>Community</i></div> <div></div>	<ul style="list-style-type: none">• Employees• Community• NGOs• Government	Community services in impoverished regions Our alloys division supports Thusong, the South African government’s service centre programme: one-stop, integrated community development centres that deliver services to rural areas and empower those living in poverty. We funded a centre in the Greater Tubatse local municipality as part of the 2009–2014 Eastern Mines SLP LED programmes, saving local community members from making 50+km journeys to register for social grants, apply for identity cards and receive other social services. Other development projects we have funded in this region include: <ul style="list-style-type: none">• Upgrading and building water infrastructure• Building a community home-based care centre• Building and equipping a welding centre• Establishing a sewing project• Supporting a poultry project• Investing in crop farming projects
		Addressing high unemployment Unemployment is currently running at 30% in South Africa; there is an expectation for our assets to counter this problem and the social issues that develop as a result. Our alloys division has established a multi-department approach that supports local socio-economic development. It has established a fund to support the development of portable skills that help community members to become employed and participate in self-income generation trades. By developing skills, we are reducing dependency on our operations.

Material issue	Stakeholders	What is the issue?
<div><i>Community (continued)</i></div> <div></div>		Creating skills locally > <i>See the case study on our Lion ferrochrome smelter’s local employment programme.</i>
		Supporting livelihoods during resettlement In 2014, our coal operations relocated 158 households close to our Tweefontein, Goedgevonden, Optimum and Wonderfontein sites. Beforehand, we undertook independent socio-economic baseline surveys of the affected communities. The resettlement process was aligned to all domestic and international standards and best practice. We conducted the stakeholder engagement process in a participatory, transparent and fair manner, with a Resettlement Action Committee that included household representatives, local councillors, local government officials and members of the local municipality housing, technical and legal departments. This resulted in the 158 households being expanded to 281 new homes, with all householders receiving title deeds, often for the first time. A skills survey identified the need for portable skills in artisan trades such as welding, bricklaying and carpentry. The development of skills and provision of equipment allowed individuals to develop small businesses.
<div><i>Union relations</i></div> <div></div>	<ul style="list-style-type: none">• Employees• Unions• Government	Working in partnership We take our relationships with our employees very seriously; this is reflected in our dealings with organised labour. We hold regular meetings with labour representatives and employees to discuss each site’s production and safety performance. This contributes to relationship building with both the employees and the unions.
		Industrial relations in South Africa > <i>See the case study for more details on our approach to industrial relations.</i>
<div><i>Major health issues</i></div> <div></div>	<ul style="list-style-type: none">• Employees• Community• Government• NGOs	Occupational health We partner with local authorities and local and international NGOs to mitigate the impact of HIV/AIDS. Our relationships support local access to health services and developing workplace programmes. Our initiatives, which have been operational for over 20 years, have received additional funding from agencies such as the US President’s Emergency Plan for AIDS Relief (PEPFAR). They include VCT, ART availability, and countering the stigma associated with HIV/AIDS.
		Tackling HIV/AIDS > <i>See the case study on tackling HIV/AIDS in our workforce and local communities.</i>
		Public health We support public health initiatives that are bringing about significant, sustainable change through partnerships with regional governments, NGOs and traditional healers and our funding of health centres and community health education. Our projects are designed so that each health centre eventually transitions to being fully controlled by the Department of Health and Social Development. > <i>See our website for further details of the initiatives we support as part of our public health work across South Africa.</i>

Industrial relations



Our South African alloys operations encompass 16 sites, with seven different unions. These unions are one of the operation’s biggest stakeholders; most of the sites are unionised, with many sites having one union with a majority status (where half or more of the workers belong to that union). In South Africa, this status grants such a union certain specific organisational rights as well as bargaining rights, covering conditions of employment, skills development, health and safety and labour relations.

On some sites a union may only have organisational rights. Most sites have more than one union present, representing different employee categories. On sites where no union represents the majority of workers, management will engage with workers’ forums, made up of representatives from the smaller unions.

We meet and engage with union committees on a daily, weekly and monthly basis. The meetings are structured with agendas, attendance registers and minutes.

We give the unions opportunities to hold mass meetings with their members on a regular basis to give feedback, obtain input and mandates on important topics. The subjects we discuss include:

- Health and safety
- Production
- State of the business
- Grievances
- Disputes
- Housing

We work in partnership when attending inspections by the Department of Mineral Resources (DMR); making presentations to the DMR as a result of specific orders; during Department of Labour inspections and when attending tripartite (management/unions/DMR) meetings.

South Africa *continued...*

Tackling HIV/AIDS in our workforce and local communities



Our alloys and coal operations in South Africa play an active role in addressing HIV/AIDS in their operating regions. Our projects and health programmes try to ensure that the impact of this disease is minimised for the individuals and communities affected. We work with local authorities and Re-Action!, an NGO specialising in mitigating HIV/AIDS to address the need for immediate, local access to health services, as well as developing, rolling out and developing workplace programmes.

Our HIV/AIDS programmes have aspirational 100% targets: 100% of our employees and contractors must know their HIV status; and 100% of those who are HIV-positive must be enrolled in treatment.

We have a broad range of programmes designed to help us achieving these 100% targets:

- Community initiatives such as improving access to healthcare, working with traditional healers and conducting a door-to-door outreach programme, which encourage HIV-positive employees and contractors and their dependents to take up and remain in appropriate treatment programmes
- Voluntary HIV testing and counselling: all employees and contractors receive time off from their shift to participate in annual health assessments, provided by an independent organisation
- Access to free healthcare and treatment through easily available channels for all HIV-positive employees and contractors and their dependents

- Wellbeing advocates are individuals who are HIV-positive who have decided to make their status known to their colleagues to help de-stigmatise the disease and encourage more people to be treated and tested
- Our coal business has implemented the *I know the way to live!*TM initiative, which was developed by Re-Action! (a professional services agency for health and sustainability)

These initiatives are complemented by education and awareness programmes. They are undertaken in close partnership with unions and employees’ families and partners. Training and education programmes cover a broad range of health issues in addition to HIV/AIDS.

The wellbeing programme created by our alloys operations, which has been implemented in all 16 of our alloys assets in South Africa, has achieved high participation rates in voluntary HIV testing, with more than 92% of our workforce having been tested. Of our employees who tested positive, 67% are registered into treatment.

Our coal division’s wellbeing programme has been in operation at the majority of its sites for ten years. We are currently implementing the programme at the three remaining sites, part of Shanduka Coal and Koornfontein. In 2014, the wellbeing programme continued its education initiatives and ensured those who have tested positive receive appropriate care and treatment.

Below: Nurse Thembi Mokoena at the Glencore funded Kriel Thubelihle Clinic near Witbank, built for the Kriel community and surrounding areas



Creating skills locally



During 2014, the Lion ferrochrome smelter undertook the second phase of its expansion project. The project has created 380 new positions, 137 of which were filled by existing Glencore workers and 243 were met externally. Of the external recruitment, 172 (over 70%) workers were from the local community.

We worked in partnership with local communities to identify what skills training was needed for community

members to allow them to participate in the recruitment process. Nearly 300 community members enrolled in the training programme.

This training took place over a six-month period; during this time we agreed a recruitment schedule with the local community. We advertised our vacancies in 18 communities; the recruitment process prioritised those who had attended the training programme.

Incubating local businesses



Our alloys business has developed an enterprise development programme to promote and improve the capability, skills and experience of local Black Economic Empowerment (BEE) suppliers. BEE is a programme launched by the South African government to give certain previously disadvantaged groups economic privileges previously not available to them. It includes measures such as employment preference, skills development, ownership, management, socio-economic development, and preferential procurement.

Our enterprise development programme provides a holistic set of mentorship, incubation and development measures to assist new, emerging and/or small enterprises from our neighbouring and local communities to thrive. It includes:

- Entrepreneurial coaching and development, including business and financial management
- Business mentorship and incubation, which covers the requirements associated with owning and managing your own business successfully and sustainably
- Permanent job creation through ongoing training and skills transfer
- Creation of independent, self-sustainable black-owned enterprises

The programme’s primary objective is to empower BEE entrepreneurs from a grass-roots level, to evolve to the point where they can compete and be sustainable.

We evaluate all projects for social impact and sustainability using broad-based socio-economic indicators; this also helps us achieve maximum BEE compliance and recognition. We take an inclusive approach to stakeholder engagement and ensure local BEE individuals are involved in the programme.

Two businesses we have supported so far are Minatlou Trading Enterprise and Phadima CC. Minatlou is a cleaning company that cleans all areas of the local alloys plant. It is 100% owned by local BEE women and has created 79 permanent jobs. Phadima is involved in internal transport and bulk materials handling. The company is 100% owned by local BEE individuals and has created 14 permanent jobs. The support we have given Minatlou and Phadima has allowed both to become financially independent and sustainable.

Throughout our alloys business, we have worked to increase our procurement from local BEE suppliers, focusing on business enterprises local to our surrounding communities. This includes regular open days for vendors that target BEE suppliers, often on a monthly basis. At these events, we meet potential vendors to get a better understanding of their capacity. If they meet our criteria, they are included in our preferential procurement programme. This approach works well for service providers but has varying success for capital items, such as ball mills or furnace roof panels, where lack of capacity and skill hinders the procurement relationship.

We monitor our BEE performance each month to ensure we are continuing to focus on local socio-economic development. This allows us to identify specific areas where we can better support the development and growth of SMEs. We run local business support centres to mentor and develop SMEs, which help with bookkeeping, running payrolls, forecast planning and general office management.

Our alloys business spent ZAR 9.9 billion (\$915 million) on BEE business entities in 2014, exceeding the requirements of the South African government programme.

Regional reports:

Africa (excluding South Africa)

Our presence in Africa includes operations in the African Copperbelt (Zambia and the DRC), oil interests in Equatorial Guinea, Chad and Cameroon, and assets in Namibia and Burkina Faso. These employ a workforce of nearly 39,000 employees and contractors.

Highlights

- Our African copper assets currently produce around 500,000 tonnes of copper per year
- Mopani is one of the largest copper mine in Zambia
- Katanga in DRC is a long-life, high grade, integrated copper and cobalt complex
- In Chad, we are producing in two exciting oil basins with discoveries and numerous exploration prospects
- We have invested around \$5 billion to develop the Katanga and Mutanda high grade copper assets in the DRC

KPIs*

	2014	2013	2012
Workforce	38,578	38,508	34,444
Fatalities	6	6	6
LTIFR	0.84	1.21	1.39
Scope 1 GHG emissions (thousand tonnes)	566	346	357
Scope 2 GHG emissions (thousand tonnes)	1	1	1
Energy usage (PJ)	17	14	13
Water withdrawal (million m³)	145	149	154
Community investment (\$ million)	30	35	39
Payments to governments (\$ million)	575	346	296

* Data excludes assets in Chad for 2014

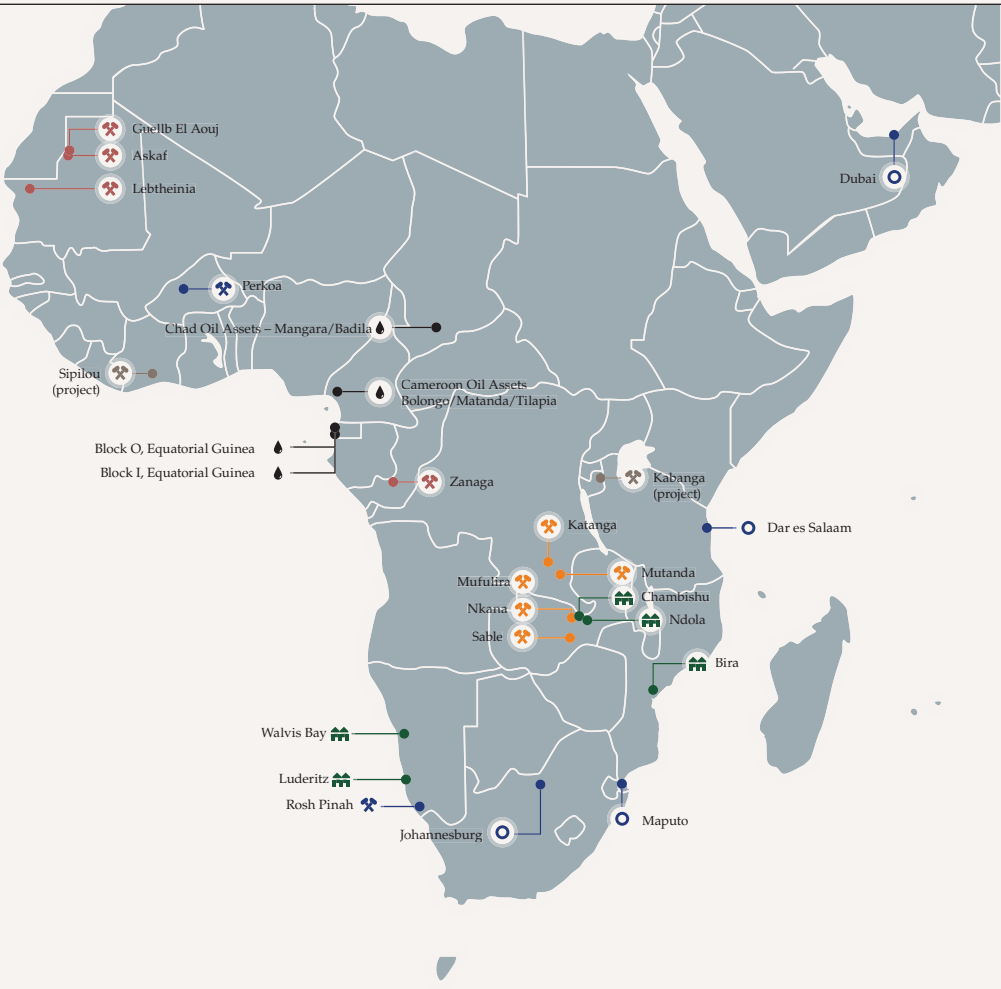
Key

Operations

- Offices
- Pacorini metals warehousing
- Port facilities & storage
- Oil infrastructure
- Agriculture storage
- Agriculture port facilities & storage
- Technology

Commodities

- Copper
- Zinc
- Nickel
- Ferroalloys
- Alumina/aluminium
- Iron ore
- Coal
- Oil
- Agriculture



Africa continued...

Determining materiality

Topics were identified as a result of our engagement with NGOs, as well as recognising the key focus areas of our local management teams. Our African assets hold regular community meetings and surveys, the results of which have also been fed into our materiality assessment.

Material issue	Stakeholders	Case studies
<div>Safety</div> <div></div>	<ul style="list-style-type: none">• Employees• Unions• National government	<p>Creating long-term change at focus assets</p> <p>We have been rolling out the SafeWork initiative at our copper operations in Katanga; this first involved a change in leadership behaviour to take accountability for safety and to prioritise changing the current safety culture and beliefs, assisted by expertise from our nickel business in North America. With visible leadership in place, we began training workers and supervisors in how to identify and manage the fatal hazards around them, focusing on reducing injury and loss of life. We also worked on improving the safety of work processes and identifying, predicting and preventing potential catastrophic incidents. All these actions were based on the sound risk management framework embodied by SafeWork.</p> <p>At our operations in Mopani, we implemented a specialised variant on SafeWork called SafeMining. The aim of this activity was to improve Mopani’s current safety management systems, enhance the existing safety culture and entrench a formal business continuity process. This started with a major awareness campaign on the fatal hazard protocols and life-saving behaviours, using innovative visual approaches to increase engagement. This was followed by improvements to our processes and technical equipment, including replacing manual and semi-automated systems with electronic ones. This activity was supported by intensive training on the SafeWork principles and the introduction of expanded training facilities.</p>
<div>Environment</div> <div></div>	<ul style="list-style-type: none">• Local community• Government• NGOs	<p>Air emissions</p> <p>> <i>See the case study on the Mopani smelter project.</i></p> <p>Water management</p> <p>> <i>See case study on our work to prevent water spills in the DRC.</i></p> <p>Innovative water treatment</p> <p>In Chad, our oil business uses engineered wetlands to treat water at our Badila and Mangara production camps. These innovative wetlands are environmentally sustainable systems that process the camps’ waste water and produce non-toxic, nutrient-rich water that meets international standards for crop irrigation. Traditionally, a short rainy season and absence of significant rivers in the region meant that local farmers only had a three-month period in which to grow food. Water from the wetlands has extended the growing season and supported a more stable food supply for local communities. We have also trained farmers on irrigation, composting and enhancing their crop productivity.</p>
<div>Community</div> <div></div>	<ul style="list-style-type: none">• Local community• Local and regional government• Religious organisations	<p>Developing local skills</p> <p>In 2014, we opened a \$15 million training centre at Mopani’s Mufulira site in Zambia to provide two- and three-year apprenticeships for electricians and other skilled workers. Admission is free and the application process is open to anyone in the country, and the costs of participation (e.g. lodgings, food, recreation) are covered by our Zambian copper operation, Mopani. Graduates are offered employment at our operations. To promote enrolment, particularly among women, we are raising awareness at local schools and encouraging pupils to remain in education and pursue maths and sciences.</p> <p>Our societal value creation model</p> <p>> <i>See the case study on piloting our societal value creation model.</i></p> <p>Supporting local development</p> <p>We employ a significant workforce at our Mopani copper operation in Zambia (around 20,000 people), and our presence also supports local businesses, creating more jobs. We provide direct start-up funding, underwrite loan applications and encourage our international suppliers to invest in local businesses.</p> <p>Enhancing shared water infrastructure</p> <p>In the DRC, we work with the national agency responsible for water supply, supporting delivery of drinkable water to the communities around our mines. Our contribution has included drilling and fitting industrial bore wells and the construction of a power line as well as establishing manual bore wells in the communities. We also work with the national agencies and the local communities to provide training and support for ongoing maintenance of the facilities.</p>
<div>Human rights</div> <div></div>	<ul style="list-style-type: none">• Local community• NGOs	<p>Operating in high risk regions</p> <p>> <i>See the case study on how we manage security risks while protecting human rights.</i></p>

Mopani smelter project



On 31 March 2014, we completed a multi-year smelter upgrade project at our Mopani copper mine in Mufulira, Zambia. The \$500 million, three-stage upgrade was completed 15 months before the deadline agreed with the Zambian government.

Since its construction in 1937, the plant had been emitting SO₂ freely into the atmosphere, with a significant effect on local air quality. At the time of our acquisition of the Mopani assets in 2000, we committed to upgrading the smelter and addressing the SO₂ emissions.

While the purpose of the upgrade project was primarily to address environmental concerns, we also had to ensure that for the duration of the project the livelihoods of the 9,000 employees at Mopani were protected. It would have been possible to complete this work more quickly, but this would have required the processing plant to close, resulting in massive job losses and a major impact on the local economy, which is heavily reliant on Mopani (it is estimated that every wage supports eight to ten people in Zambia). Instead, we opted to focus on the regional government’s priorities of increasing production and maintaining local job stability.

Phase one was completed in 2007; this involved replacing the existing electric furnace and constructing an acid plant: this stage brought the percentage of emissions captured to 50%. The second phase saw two bigger anode furnaces and twin anode casting wheels installed; it began operations in 2009.


The final phase was to install three larger converters, a range of advanced gas handling equipment and a second acid plant. After this was completed, the smelter began ramping up to full production in April 2014.

Completion of the work means that we now capture 95% of Mopani’s sulphur dioxide (SO₂) emissions, contrasting significantly with the situation when we took over this asset in 2000, with no gas or dust emissions captured. The smelter upgrade project has been one of the biggest environmental projects ever undertaken in Zambia.

Below: Mopani’s Acid Plant, the third and final phase of our \$500 million project to capture over 95% of SO₂ emissions at our copper operation in Zambia



Piloting our social value creation model



In November 2014, we launched a Group project to enhance measurement of our socio-economic contributions on the ground. The project’s aim is to strengthen our communications about value creation, inform our management and support our licence to operate.

A working group was established to pool the knowledge of our experts in Australia, South Africa, Canada, Zambia and the DRC. The group combined leading practices and existing tools from across the Group, with external expertise provided by a leading global consultancy firm. International NGO CARE acted as peer reviewer of our chosen methodology and approach. We will finalise the measurement framework, metrics and supporting guidance in 2015, and pilot the new approach with high-profile operations and regions, before a full rollout in 2016.

The aim is to develop a consistent Group approach to measuring the value we create for society, that also has enough flexibility to adjust to local priorities in our different markets. It will support robust stakeholder engagement at local and Group levels, address reputational risks and support our social licence to operate. It will also enhance the management information available at operations to improve their performance and inform strategy.

We will seek to consistently measure each operation’s contribution to social value through the scorecard’s five core activities:

We applied this model to our copper assets in Zambia:

- Local procurement: 50% of our procurement from November 2013 to October 2014 was spent with businesses located next to our mines in Mufulira and Kitwe
- Local employment: our employment constitutes approximately 53% of the total direct employment by major mining companies in Zambia’s Copperbelt
- Enterprise development: our annual SME development budget has funded training of 200 businesses from Kitwe and Mufulira since 2011
- Synergies from infrastructure: during 2012 and 2013, our road improvements have reduced commuting times to an estimated value of \$12.8 million (saving 1.15 million working days)
- Social investment: we estimate that more than 122,000 people benefit from healthcare and education facilities that we support

Five key social areas	Local procurement					Local employment					Enterprise development					Synergies from infrastructure					Social investment								
	“Where possible we source locally”					“We provide training to local people to qualify for skilled jobs”					“We build capacity within local businesses and offer them ongoing opportunities to provide services to our assets”					“We help make sure that infrastructure related to our assets benefits local communities and supports development”					“We invest in public healthcare, education and basic services such as the provision of water and sanitation”								
Broad objectives																													

Managing security risks while protecting human rights



Ensuring the security of our people, our assets and the supporting infrastructure is a priority for our African operations. Working in complex environments means we need to identify risks and potential factors of instability using a comprehensive management strategy.

We are fully aware of the security challenges for our operations; our security departments are constantly confronted with cases of theft, break-ins and assaults on our people. We are committed to avoiding any exacerbation of local issues and disruption to our community relations while protecting our people and assets.

In the DRC, illegal intrusion by artisanal miners into our concessions is still a significant operational and social risk.

We know that artisanal and small-scale mining (ASM) is a complex phenomenon. We try to engage transparently and openly with all our stakeholders to address the root causes of artisanal mining and find long-term solutions together. Stakeholders include community representatives, local authorities and relevant institutional bodies, and civil society representatives.

Our security departments ensure that their activities are conducted in alignment with our policies and our commitment to the Voluntary Principles on Security and Human Rights (Voluntary Principles), as well as national legislation.


In 2013, we began implementing the Voluntary Principles at our DRC operations. Throughout 2014 we delivered training on human rights and the Voluntary Principles to our own security employees and security service providers, tailored to lower literacy levels and delivered in the local language.

We also engaged with public security forces deployed at or near to our concessions to raise their awareness of international human rights standards. To achieve this, we worked with MONUSCO, a UN organisation tasked with peacekeeping in the DRC, which delivered specialised training. Finally, we developed a memorandum of understanding with the public security agencies, detailing our commitments to the Voluntary Principles.

In addition, our security people regularly attend meetings with local communities to learn of any concerns about the conduct of our security teams. Our DRC operations also run a complaints mechanism and all allegations of human rights violations by security forces are investigated internally, and in collaboration with the judicial authorities where appropriate.

1,650 employees and contractors received training on the Voluntary Principles and our Code of Conduct for security, while 50 mine police received induction sessions on the subject during 2014.

Protecting local water during power outages



We acquired operational control of Kamoto Copper Company (KCC) in the DRC at the end of 2009. Since then, we have conducted detailed engineering studies and made substantial investments in our waste management systems to prevent discharge and spills. This included the construction of additional tailings storage facilities to store waste from the concentrator and processing plant, and neutralisation and settlement ponds to capture traces of heavy metals contained in the tailings.

As part of our commitment to continuous improvement, we monitor effluent every day. We have developed a pollution prevention plan that included:

- A comprehensive review of facility integrity
- Specialised training for affected personnel and management
- Constructing ponds to collect tailings and reagents during power outages
- Enhancing our pumping capacity for tailings management during power outages, with pumps connected to an emergency power generator
- Continued monitoring of all discharge water, which includes checks for pollutants and salinity changes

Regional reports:

North America

We have operated in North America for over a hundred years; today our assets employ around 12,000 people, including contractors. Our assets include nickel, copper and zinc operations and projects, as well as agricultural facilities, recycling plants and technology businesses.

Highlights

- Our CCR copper refinery in Montreal is certified for conflict-free gold; it is the only copper refinery and precious metals plant in Canada
- Our Kidd Mine is the deepest base metal mine in the world and is the closest accessible point to the centre of the Earth
- We have been mining nickel-copper ores in northern Ontario since 1929. Our facilities are spread throughout the 60km geological formation known as the Sudbury Basin
- Our Raglan Mine is located at the extreme limit of Northern Quebec and operates some of the richest metal mines in the world
- We were the first mining company in Canada to sign an Impact and Benefit Agreement (IBA) with First Nations populations in 1995
- Viterra, our Canadian agricultural operation, hosts Canada's largest network of agricultural handling, processing, distribution, transportation and storage assets.

KPIs

	2014	2013	2012
Workforce	11,757	12,783	9,602
Fatalities	0	0	0
LTIFR	1.48	2.02	2.13
Scope 1 GHG emissions (thousand tonnes)	1,232	1,151	1,114
Scope 2 GHG emissions (thousand tonnes)	2,343	2,508	2,509
Energy usage (PJ)	38	41	40
Water withdrawal (million m³)	122	130	121
Community investment (\$ million)	5	7	6
Payments to governments (\$ million)	455	168	25



North America *continued...*

Determining materiality

We determine our stakeholders’ material issues through analysis of internal and external sources. Part of this process includes reviewing relevant literature and regularly carrying out a benchmarking exercise. Our HSEC leads evaluated and prioritised the issues that came from this exercise, with their findings confirmed by an external stakeholder evaluation and a focus group. Some of the external stakeholders that had input into the exercise include the Wahnapiatae First Nation community, the Mining Association of Canada and ICMM’s Environment and Climate Change Manager.

Material issue	Stakeholders	Case studies
<div>Safety and occupational health</div> <div></div>	<ul style="list-style-type: none">• Employees• Unions• Government	<p>Occupational health in our nickel operations</p> <p>Our wellbeing programmes cover all areas of our workers’ physical and mental health and wellbeing. In 2008 our Sudbury assets launched a health programme that aims to counteract the increased prevalence of chronic conditions including obesity, diabetes, increased blood pressure and raised cholesterol levels that can lead to heart attack and stroke. It tracks personal health risks and progress, motivating workers to improve their lifestyles, with assessments in 2009, 2011 and 2014. It includes meetings and presentations, online and video display information, bulletin boards, regular hand-outs and newsletters, home mail-outs, and awareness programmes. Between them, our people have lost 10,000 pounds in weight and donated the same amount in dollars to a local children’s breakfast club. Since 2009, their collective total cholesterol levels have improved by 30% and their blood pressure levels by 20%.</p>
<div>Environment</div> <div></div>	<ul style="list-style-type: none">• Community• Government	<p>Establishing alternative energy supplies</p> <p>> <i>See the case study on replacing diesel with wind power.</i></p> <p>Rehabilitation of mining sites</p> <p>In Canada, we closed our zinc mine in New Brunswick after almost 50 years of operation. The closure and reclamation work at the former mine site continues as per our obligations under the New Brunswick Mining Act. To date, approximately 60% of the buildings have been removed including the office, workshops, and a portion of the mill. We have finished about 80% of the earthworks, including capping the tailings area and building covers and ditches for drainage. The water treatment plant will remain operational to ensure any discharge meets with regulatory standards. The objective of our reclamation work is to restore the site to its natural state as far as possible, as well as to ensure public safety. We expect to complete the work by 2016.</p> <p>In 2014, Kidd Operations in Timmins, Ontario, was awarded the Tom Peters Memorial Award, a national award recognising achievement in environmental reclamation. In a four-year programme, we drained the former metallurgical site’s jarosite pond, which held iron sulphate mud from zinc refining, and applied a thick layer of stones, gravel and dirt as well as a specially designed 60mm plastic liner to seal the pond. Two naturalised dams were built in the nearby Three Nations Creek to improve water quality and create a flooded wetland. We reclaimed 50 hectares of land in total, through soil removal, reintroducing native plants, and a remedial action plan for the aquatic ecosystem, at a cost of \$58 million. Today, what was once a residue pond is now a lush green space with returning indigenous flora and fauna that include wildflowers, birch trees, geese and moose.</p> <p>Environmental infrastructure improvements</p> <p>> <i>See the case study on infrastructure improvements at the Port of Québec.</i></p> <p>Protecting biodiversity</p> <p>> <i>See the case study on increasing Atlantic salmon stocks.</i></p>
<div>Community</div> <div></div>	<ul style="list-style-type: none">• Community• Government• NGOs	<p>Encouraging future Inuit employees</p> <p>> <i>See the case study on our Inuit training and employment programme.</i></p> <p>Engagement with First Nation communities</p> <p>As part of our commitment to engagement and consultation with indigenous communities, we are working closely with local First Nation, Inuit and Metis communities as we develop projects. We aim to gather input from local indigenous communities early in the project development cycle, to address any community questions or concerns. In Sudbury, Ontario, we worked closely with local First Nations groups on the environmental baseline studies that are a critical part of the environmental assessment process. Community members worked side by side with our environmental technicians, helping to collect data on water quality, aquatic life and other studies. This not only offered employment to local community members, but built capacity, captured traditional knowledge and increased trust with the local community.</p>
<div>Product stewardship</div> <div></div>	<ul style="list-style-type: none">• Community• Employees• Government	<p>Sulphuric acid handling</p> <p>We produce sulphuric acid as a by-product of our copper, nickel and zinc production processes. Acid plants capture the gases released during the process of turning concentrate into metal and transform them into sulphuric acid. Sulphuric acid is a useful chemical product that is critical to the manufacture of fertilisers and water treatment plants and used in the manufacturing of many other consumer products. Each year, we transport more than 30,000 loads of sulphuric acid via truck, rail and ship to customers across North America. Transporting this hazardous product safely requires close coordination between our internal teams as well as third parties. A number of checks must be undertaken throughout the supply chain. We validate the customer’s ability to handle the product safely and undertake regular technical reviews of both our assets and those of our service providers, to ensure correct procedures are followed. We work in partnership with tank car manufacturers to improve tanks’ safety performance through design refinements. We also provide technical support materials and training to increase awareness of product hazards and track transportation incidents to identify trends and establish learnings.</p>

Increasing Atlantic salmon stocks



Over the past few years, Glencore has worked with local government, community organisations and First Nations to increase the local Atlantic salmon population in north-eastern New Brunswick. We have supported projects to maintain and increase native salmon populations in the Jacquet river, the Nepisiguit and the Miramichi.

One example is our partnership with the Belledune Regional Environmental Association, the New Brunswick Ministry of Natural Resources and the village of Belledune. This project helps to increase the salmon population by ensuring that more fish complete their journeys to their spawning ground.

A barrier in the river traps the salmon, and larger fish are transported to a deep water pool, while smaller ones are transported further up the river. The larger fish are released later on, to complete their journey. In addition, the project raises as many as 3000 fry and adds them to the river. Dedicated local workers ensure the salmon’s safe transportation, collect data on the fish numbers, sizes and movement patterns and guard against poachers.

In 2001, the project built a visitor centre at the site, allowing people to learn more about salmon and its lifecycle. We estimate that the native salmon population has seen a twenty-fold increase since the project was established in 1994.

Encouraging future generations of Inuit employees



In 2008, Raglan Mine, our nickel operation in northern Canada, developed Tamatumani, a government-sponsored training and employment programme that works with local Inuit communities to identify long-term employment opportunities for Inuit workers. Raglan Mine employees visit communities in the local Nunavik region, attend community events to discuss job opportunities and meet interested candidates, visit high schools to encourage students to consider a career in mining, and meet with local community representatives on a variety of issues.

Tamatumani has placed Inuit workers in over 100 positions covering more than 45 different types of jobs.

Our number of Inuit employees has risen from 55 in 1998 to 158 as of 31 December 2014, the highest number in Raglan Mine’s history. At the end of 2014, over 18% of our workforce were Inuit people.

In 2013, Raglan Mine added the Rapid Inuit Development and Employment (RIDE) programme, which complements Tamatumani. RIDE targets workers for on-the-job supervision and training that prepares them to move into more senior positions. Of our 158 Inuit employees, we have created personalised career development plans for more than 30, while five now hold higher-level positions following participation in the programme.

Below: Charlie Gordon and Donald Gionet at Raglan Mine in Quebec, Canada



North America *continued...*

Environmental infrastructure improvements



The Port of Quebec has a long relationship with Glencore, providing us with the infrastructure required to meet customer demand. Our facilities at the Port of Quebec are on land leased to us by the Port. They include railway tracks, a storage dome, a screw-type ship-unloading device, enclosed conveyor systems and a number of bag filter dust collectors.

Each year, about 30 ships travel to and from the Port of Quebec, carrying approximately 175,000 tonnes of nickel concentrate and 130,000 tonnes of nickel matte to our facility in Norway. The concentrate from our nickel mine in Northern Quebec is moved through the port and sent to our smelter in Sudbury, Ontario. Once it has been processed there, it is shipped through the port to Nikkelverk, our refinery in Norway.

To ensure the safe handling of products and limit nickel dust emissions during loading, most of the Glencore facilities are enclosed. We have also installed covered conveyors and dust suppression sprayers, and are

investing \$3 million to further improve the equipment and facilities.

In addition to our improvements to equipment and facilities, we have strengthened our operating procedures, following an in-depth analysis that documented and improved our understanding of our operations. This approach meets the necessary international standards through a four-step process:

1. **Plan:** identify and describe potential emission sources
2. **Do:** schedule proposed improvements
3. **Check:** describe the monitoring procedures and recordkeeping system
4. **Act:** Create guidelines for regularly reviewing best management practices to promote continuous improvement

Replacing diesel power with wind energy



In 2009, Raglan, our nickel-copper mine in Nunavik, northern Quebec, began examining options for its diesel-powered operations. Energy is the mine’s second largest budget item, as its remote location means it cannot connect to the hydroelectric grid or natural gas network.

The decision to install Canada’s first industrial-scale wind power facility with storage came after nearly five years of careful investigation, assessment and analysis. Because of the Arctic conditions at the mining site, gathering in-depth data was an essential first step. Very quickly, studies showed that wind was a promising option. We began collecting data from wind measurement systems and conducted a benchmark study across Alaska, Switzerland and Scandinavia, observing how wind turbines fare in harsh climates.

We then developed a financial framework in November 2012, which combined government incentives for reducing greenhouse gases and grants for using renewable energy. We also undertook consultations with local communities and other stakeholders.

The final design incorporated three storage technologies: a flywheel, batteries, and a hydrogen storage loop with an electrolyser and fuel cells. These innovative storage technologies brought the wind penetration level from 15 to 20% and for the 3 MW wind turbine alone, up from 35 to 55%.

Wind energy takes a molecule of water and creates both hydrogen (H₂) and oxygen. By storing the H₂, the mine can later combine it to create energy for running vehicles. The flywheel increases and improves the energy levels available to the power grid, smoothing out the energy curve as wind levels fluctuate.

The project was implemented in two phases, to test whether the technology can work under harsh Arctic conditions and reduce the financial risk. The first stage involves the gradual implementation of a wind farm with a five-year demonstration period. In the summer of 2014, we built the storage facilities and an Enercon wind turbine. The second stage, due in 2016, is construction of three to five wind turbines. Once completed, the facility is expected to reduce our diesel consumption by over 50%, with a major decrease in GHG emissions.

In its four months of operation the wind turbine has already saved 643,000 litres of diesel and 1,793 tonnes of CO₂ emissions. Over the 20-year life of the wind turbine, we estimate savings of more than \$40 million in fuel as well as operating and maintenance costs.

The Canadian and Quebec governments are committed to helping mining companies improve their environmental practices; both are supporting the project financially. If the pilot produces the results we expect, its expertise and technologies will be exported to 14 local Nunavik villages.

Right: Wind turbine at Raglan mine in Canada. Image courtesy of Tugliq Energy



Regional reports:

South America

Our operations in South America encompass coal mines in Colombia, copper assets in Argentina, Chile and Peru, and zinc assets in Bolivia and Peru, as well as various agricultural facilities. Our workforce comprises around 29,000 employees and contractors.

Highlights

- Our Prodeco coal mine is the third largest export coal producer in Colombia
- Our new port is Colombia’s single biggest industrial investment for 2014
- Prodeco has the best LTIFR figures of all assets in our global coal business
- Sinchi Wayra and Illapa are two of Bolivia’s most important mining companies
- Our agricultural business has farm and port facilities, industrial plants and warehousing in Argentina, Brazil, Paraguay and Uruguay

KPIs





	2014	2013	2012
Workforce	29,326	47,017	43,599
Fatalities	1	8	11
LTIFR	2.59	2.80	3.24
Scope 1 GHG emissions (thousand tonnes)	3,477	3,364	3,208
Scope 2 GHG emissions (thousand tonnes)	620	1,117	1,187
Energy usage (PJ)	48	49	48
Water withdrawal (million m³)	290	283	202
Community investment (\$ million)	29	60	64
Payments to governments (\$ million)	1,499	879	164



South America *continued...*

Determining materiality

Community relations teams host meetings with local community and government representatives throughout the year, including one-on-one meetings with local community leaders. We also engage with our peers and civil society through multi-stakeholder platforms such as Compromiso Etico (Colombia).

Material issue	Stakeholders	What is the issue?
<div>Safety</div> <div></div>	<ul style="list-style-type: none">• Employees• Unions• Government	Fatality reduction > <i>See the case study on SafeWork at Sinchi Wayra.</i>
<div>Environment</div> <div></div>	<ul style="list-style-type: none">• Community• NGOs• Government	Controlling emissions and waste disposal Our Tintaya-Antapaccay mine works under strict environmental management systems, which allow it to control all emissions, in line with Peruvian regulations and international standards. We contain and recycle all the water we use on-site and do not discharge into local water sources. We conduct comprehensive environmental monitoring and participate in independent third-party monitoring. Regular monitoring confirms that there is no difference in water quality upstream and downstream of our operations. Our Alumbrera copper-gold asset in Argentina has been exploring waste disposal options since operations began. The climate in the area, with moderate rainfall and high evaporation, limits the options available and can lead to acid rock drainage (ARD). ARD occurs when moisture from waste rock escapes; it can lead to environmental damage. Research and field trials have determined the best capping design is to ensure that waste is compressed in non-mineralised rock, minimising rain seepage into the waste. We will continue to monitor the capping with moisture and temperature monitoring probes.
<div>Community</div> <div></div>	<ul style="list-style-type: none">• Community• Government• NGOs	Local procurement Prodeco, our Colombian coal operation, has an Adopt-a-Supplier initiative that aims to spend at least 20% of their annual procurement budget with local suppliers (from Atlántico, Magdalena and Cesar). We work with local businesses to help them meet our quality standards and become certified to national standards. As well as joining our supplier list, this makes them eligible to provide services to other companies, directly supporting local business development and benefiting local communities by increasing employment and prosperity. Having identified local suppliers with potential for improvement, we run due diligence checks and work with them to improve their business and financial skills, including the development of quality, health and safety and environmental policies if necessary. During our mentoring programme, we monitor their progress against our training and improvement plans and evaluate their performance against contractual commitments and service level agreements. Community enrichment Our Tintaya-Antapaccay operation has contributed to the socio-economic development of the surrounding region for many years, through the Espinar Framework Agreement. Under this agreement, Tintaya-Antapaccay gives 3% of its EBIT for investment into the community fund. This has supported development of many sustainable projects, improving the quality of life for local communities, including a dairy business, irrigation for agriculture and a hospital. Communications regarding mine closure Alumbrera, our copper-gold operation in Argentina, has kept local residents informed about the closure of the mine, which is expected to take place in 2019. We communicate with them through stakeholder engagement sessions, with further feedback received through regular perception surveys. We are gradually handing over local socio-economic issues, including major education and health infrastructure projects, to the regional government, local communities and suppliers. We are taking advice from external consultants, including the World Business Council for Sustainable Development, with a view to creating a strategic action plan to ensure that support programmes, including business support, social programmes and training programmes, help mitigate the impact of closure. Resettlement in Colombia > <i>See the case study on our resettlement activities in Colombia.</i>
<div>Human rights</div> <div></div>	<ul style="list-style-type: none">• Community• Government• NGOs• Unions	Working with private and public security forces > <i>See the case study on protecting human rights in a conflict zone.</i>

Resettlement activity in Colombia



In 2014, we continued the resettlement of three communities near our Calenturitas coal mine in Colombia. Working with two other local mines and external experts, it became clear that we needed three different planning processes, to address the concerns of each settlement. We recognised that it was also essential for the affected communities to fully participate in the planning process, to ensure it suited their needs.

Throughout the process, we followed IFC’s Performance Standard 5 to support a fully participative and equitable approach. This has included a comprehensive census, socio-economic surveys and asset inventories. These were completed in consultation and collaboration with the community, which expressed its satisfaction with the process. Throughout, we have continued to provide the communities with food and materials, as well as training in agricultural skills to enable them to support themselves following resettlement. This training was delivered in response to the request from the community, and in line with its intent to pursue agricultural opportunities.

Plan Bonito

This community was first to engage in the resettlement process, due to its proximity to our operations. In line with the community’s wishes, we worked with the two other mines to arrange resettlement on an individual basis. We completed the action plan in 2014 and arranged replacement homes and cash compensation.

During the consultation period, we provided food and materials to support the community, and delivered training and health programmes.

The families of Plan Bonito now enjoy better living conditions, in properties that are registered in their names, and are closer to public services and commercial facilities. We have also ensured that everyone now has access to public health facilities. The community has declared itself satisfied with the process; in line with the IFC standard, we will continue to monitor the resettlement results.

El Hatillo and Boquerón

During 2014, we progressed consultation with the communities of El Hatillo and Boquerón. At El Hatillo, consultation on the resettlement action plan is under way, with extensive consultations through monthly meetings and ongoing formal and informal dialogue. At the community’s request, we have developed a transition plan to provide support during this transitional phase, including food, health and social programmes, developed in collaboration with the community.

At Boquerón, we have reached agreement to proceed with the core components of resettlement planning, namely the census, socio-economic survey and asset inventory. Work on these will start in 2015.

Below: Nelly Guerrero Mosquera, Community Project Manager outside a hospital built by Prodeco



South America *continued...*

SafeWork in Sinchi Wayra



From 2010 to 2014, our zinc mining operation in Bolivia has run a fatality reduction initiative that has produced encouraging results. The site previously experienced three deaths per year for four consecutive years; this was reduced to one fatality in 2014.

The initiative centred on a firm management commitment to promoting a culture of health and safety awareness. This has promoted a gradual change in the prevalent safety culture, previously characterised by tolerance of risk and inadequate hazard assessment.

Shifting the mindset of our mine workforce, who work according to traditions nearly five centuries old, has proven to be a difficult task. Despite these challenges, we have made steady progress; before 2009, safety and environmental practices were not fully integrated into the business culture, although the asset adhered to international safety standards.

By 2013, safety and environmental practices were becoming a top priority. DuPont’s STOP (Safety Training Observation Programme) was implemented, with 46 staff trained as programme leaders. In mid-2013, managers and Group advisers gathered for workshops on safety management, and workforce training and motivation, making safer mine operational plans.

At one site, Colquechaquita, this included a change to the mining method, a strong focus on geomechanical evaluation, and an improved mine support system.

In 2014, we launched the Group SafeWork initiative; this reinforced the initiatives this asset had been implementing, sharing best practices among operations in different countries.

Below: Employees at Calenturitas Prodeco Colombia



Protecting human rights in a conflict zone



Our coal mining asset, Prodeco, is located in the north of Colombia. The Colombian nation has been in a state of armed conflict for over 60 years and its defence ministry has a constitutional obligation to provide appropriate security measures to critical national infrastructure. Due to coal mining being identified as a vital national interest, we are required to cooperate with the Colombian military to this end.

In 2005, a significant step towards resolution of the conflict took place, with the demilitarisation of paramilitary groups. The government remains in talks with guerrilla groups of the FARC and ELN to bring about the cessation of conflict. Progress has been encouraging and has contributed to an improved security situation. Neither Prodeco nor Glencore have ever had any relationship with any illegal armed groups, whether guerrillas or paramilitaries. We believe that responsibility for ensuring a sustainable peace process, including reparation for the actions of illegal armed groups, lies with the Colombian state.

In 2008, Colombia became a member of the Voluntary Principles Initiative and adopted a comprehensive human rights policy, including human rights training for all public security forces, i.e. their armed forces and police. Prodeco has also implemented its own human rights policy, based on Glencore’s Group Human Rights Policy, and uses the Voluntary Principles to guide the use of private security forces and inform interaction with public security forces. There is currently an action plan in place to close any gaps in our compliance with the Voluntary Principles during 2015.

We provide human rights training to both our employees and critical contractors at this asset, which includes upper management (over 4,000 hours during the last two years). We also have grievance mechanisms for community members to raise concerns without fear of recrimination. These include a complaints register, our community offices and a phone hotline. We register, investigate and address all complaints and report back to each complainant.

We have created specific community programmes to address the challenges faced by vulnerable communities (many of which are victims of forced displacement due to conflict). The programmes cover education, the reinforcement of communities and institutions, and income generation. We work in partnership with the national agencies responsible for social development; our role helps to better connect these vulnerable communities with the government.

We recently signed a “self-regulation commitment,” along with the other 12 companies that comprise membership of Colombia’s mining sector association. This body’s main objective is to establish guidelines and best practices regarding health and safety, human rights, the environment, ethics and local communities. We are also a member of Compromiso Etico (“Ethical Commitment”), a multi-stakeholder platform for Swiss companies operating in Colombia and the Swiss government, which have signed a commitment to integrate human rights into their operations.

Prodeco plays a key role in Colombia’s ongoing economic development, locally and centrally. Along with all stakeholders, we believe we can play a part in helping the state achieve a meaningful solution to past events, while developing a sustainable platform for future development.

Regional reports:

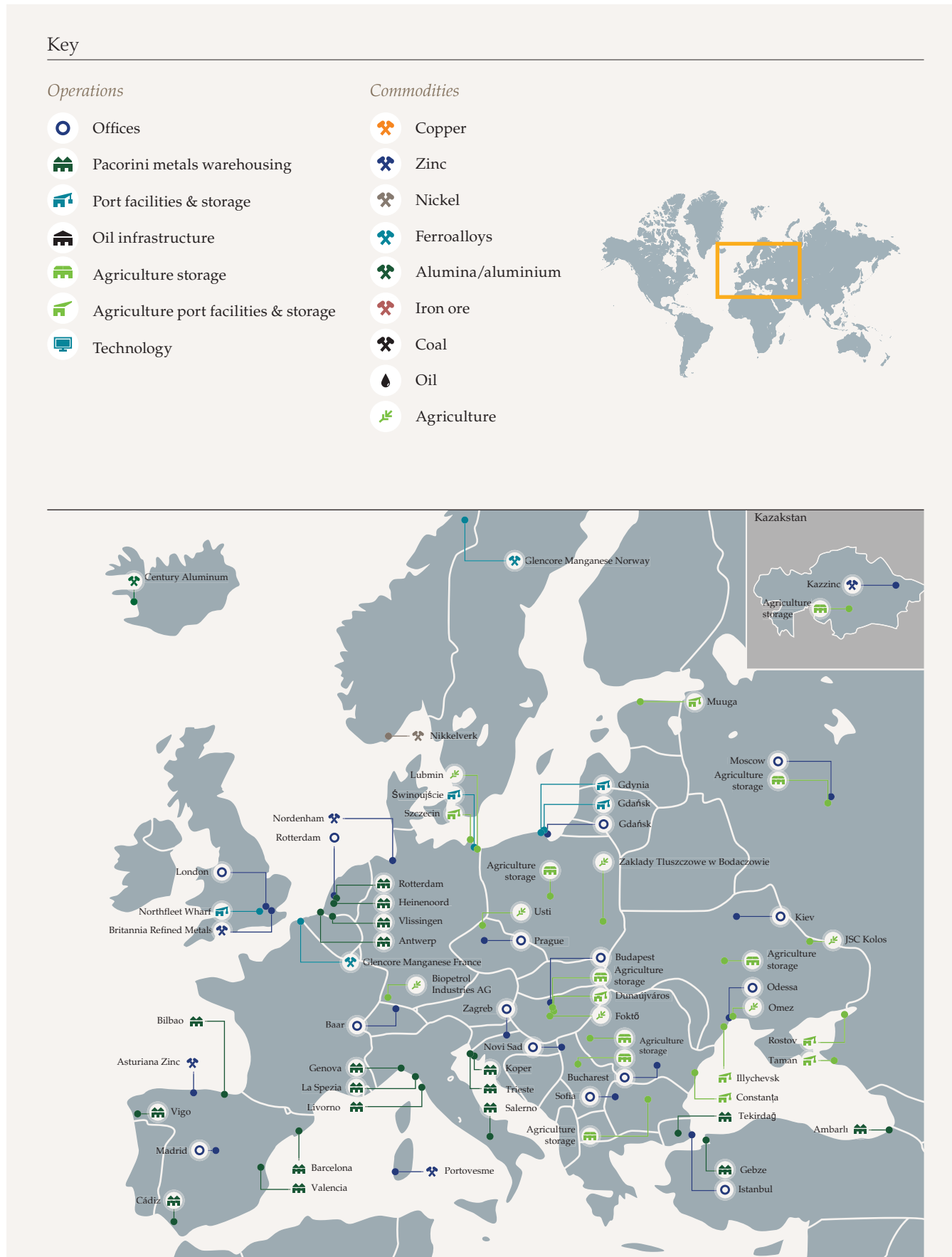
In addition to our headquarters in Baar, our operations across Europe and the CIS (Commonwealth of Independent States) include a substantial zinc operation in Kazakhstan, a nickel refinery in Norway, a zinc smelter in Spain and many agricultural and logistics assets. We have a workforce of over 45,000 employees and contractors.

Highlights

- Kazzinc, our zinc producer in Kazakhstan, is a major fully-integrated zinc producer of copper, precious metals and lead by-products
- Our Norwegian nickel refinery, Nikkelverk, is over 100 years old, and one of the most effective and technologically advanced refineries in the world
- In the UK, Britannia Refined Metals is a world leader in lead, lead alloys and silver production
- Our San Juan de Nieva refinery in Spain is the world's biggest zinc plant

KPIs

	2014	2013	2012
Workforce	45,453	40,424	33,977
Fatalities	6	8	8
LTIFR	1.55	2.01	2.12
Scope 1 GHG emissions (thousand tonnes)	2,201	2,004	1,765
Scope 2 GHG emissions (thousand tonnes)	2,139	2,556	2,288
Energy usage (PJ)	53	53	42
Water withdrawal (million m³)	269	266	196
Community investment (\$ million)	28	41	49
Payments to governments (\$ million)	462	487	478



Europe & CIS *continued...*

Determining materiality

Safety is the key material issue at our European assets. Our assets in Kazakhstan and the Ukraine are recognised as being particularly high risk in this area. At present, our main focus in this region is on these two countries.

Material issue	Stakeholders	Case studies
<div>Safety</div> <div></div>	<ul style="list-style-type: none">• Employees• Unions• Government	<p>Rollout and impact of SafeWork</p> <p>> <i>See the case study on our transformative safety strategy at Kazzinc.</i></p>
<div>Our people</div> <div></div>	<ul style="list-style-type: none">• Employees• Unions• Community	<p>A common safety culture for all</p> <p>> <i>See the case study on how we ensure a common culture across our agricultural assets.</i></p>
<div>Product stewardship</div> <div></div>	<ul style="list-style-type: none">• NGOs• Government• Customers	<p>Ensuring standards across supply chains</p> <p>In Russia, Ukraine and Kazakhstan, our oil seed and grain supply chain uses robust management systems to manage quality and food safety. Our quality and food safety procedures and controls are in line with state authorities and specific export requirements. We have suitable processes to control soil quality, seed treatment and selection, and fertiliser purchase and application. We carry out regular inspections of our silos to ensure the quality of incoming and stored grain and oil seeds. We continuously update and amend our food safety controls and procedures, as required, across the whole supply chain.</p> <hr/> <p>Adhering to international guidelines</p> <p>> <i>See the case study on how we assure conflict-free gold production at Kazzinc.</i></p>

Below: Collecting safety equipment at Kazzinc’s Ziryanovsk Maleyevsky mine in Kazakhstan



A transformative safety strategy at Kazzinc

Early in the development of our Group safety programme, we identified Kazzinc, our zinc-copper-gold asset in Kazakhstan, as one of five focus assets where we should concentrate our initial efforts. Years of state ownership had resulted in an erosion of the safety culture, with high rates of fatalities and injuries seen across Kazakhstani industries.

In November 2013, we launched the SafeWork initiative here. Assessment of the operations, and the record of past fatalities and injuries, showed that electrical safety was a key focus area. To address this, we delivered specific training and conducted an electrical audit to identify the full depth of the related risks.

Implementation continued throughout 2014:

- A review of safety management and governance: from this we developed a comprehensive strategy to turn around safety performance. Oversight is conducted by the operation’s health and safety committee, which reports regularly to the Glencore Board HSEC Committee. We have also reviewed the site management incentive system, and ensured that this incorporates safety performance. We believe these measures will drive greater safety ownership at the site and support continuous accountability.
- Training: we conducted training on risk identification and hazard awareness. We also carry out training on energy isolation, working at height and working in confined spaces at our training facility at the Ridder complex; we will roll this out to other operations at Kazzinc. We will soon have simulators for mobile equipment training as well.
- Sharing knowledge across the Group: we have deployed safety experts from our Canadian and Australian operations to share their knowledge and provide on-the-job training and mentoring to their colleagues at Kazzinc. Managers from Kazzinc have also undergone advanced safety training in Canada and Australia.

In 2015 we will continue to address the safety culture at Kazzinc and improve its safety performance. In late 2014 we started a programme to strengthen the management team’s understanding of safety issues, based on 10 safety leadership principles:

1. Safety as a top priority
2. Visible management commitment to safety
3. Safety promotion within the workforce
4. Safety reporting
5. Worker engagement in safety expectations
6. Creation of an empowered learning culture
7. Recognition and reward of good safety practices
8. Openness to organisational and cultural change
9. Open, transparent and effective communication
10. Adherence to an integrated safety management system

During 2015, this programme will be developed and rolled out across all management levels, from Kazzinc’s CEO to all operational managers.

We are encouraged to see that our people are starting to adopt the required practices, with results that include a reduction in fatalities: from seven in 2013 to four this year; and a growing number of high potential risk incident (HPRI) reports and investigations. We believe that this shows better awareness of safety and an understanding that reporting HPRI’s promotes understanding and prevention of incidents through identifying safety gaps, rather than being a punitive measure.

We are also pleased to see that other companies operating in Kazakhstan have a growing recognition of the safety practices at Kazzinc. We have been asked by other mining companies in the region to share our standards. We hope this will drive overall improvement in the safety management expectations of the region’s industry and government.

Europe & CIS *continued...*

A common safety culture for all



Material HSEC issues existed at a number of our agricultural assets in the CIS. The existing safety culture at these assets did not meet our expectations and standards for our assets. For this reason, we initiated measures to bring about sustainable change.

In Russia and Ukraine, we appointed safety leads to drive this cultural and behavioural change. In conjunction with the safety leads, we performed a gap analysis of existing practices and behaviour, including reporting. We are consequently taking steps to increase HSEC awareness and skills throughout the workforce, which include:

- Improvements to personal protective equipment (PPE)
- Improved standards for working at height, including addressing issues of aging and under-maintained infrastructure

- Training employees and management in identifying hazards, reporting and recording incidents, and risk management
- Implementation of SafeAgri, the division’s agricultural business specific version of the SafeWork initiative at all CIS operations

Before starting to work for Glencore, every seasonal worker in the division participates in a two-part safety induction programme. One part relates to general safety, including basic safety knowledge and awareness, lifesaving behaviours, emergency preparedness and use of PPE. The second is specific to each individual’s role, and includes on-the-job safety training for each task, including risks and controls.

The agricultural products senior management team is actively involved in developing and improving the safety culture in the CIS.

Below: Harvesting grain



Assuring conflict-free gold production



At Kazzinc, our zinc operation in Kazakhstan, gold is produced and smelted as a by-product. In recent years, there has been concern about potential links between gold and unlawful armed conflict, such as civil wars and militia activity. As around a quarter of the gold that Kazzinc smelts comes from third-party suppliers, we are keen to ensure that our gold has been extracted in a manner that does not contribute to conflict or has been produced as a result of serious human rights abuses.

To this end, we undertook a number of measures to become certified as a conflict-free gold producer, which included independent audits.

The World Gold Council’s *Conflict-Free Gold Standard* was introduced in 2012 to ensure that developing economies have the opportunity to share in the economic benefits of mining. The standard provides a mechanism for gold producers to provide assurance that their gold production does not cause, support or benefit unlawful armed conflict or contribute to serious human rights abuses or breaches of international humanitarian law. The standard is divided into five parts:

- A. Conflict assessment: determining whether the mine is located in a “conflict-affected or high-risk” region.
- B. Company assessment: if the mine is in a “conflict-affected or high-risk” region, determining whether the company has systems in place to discharge its corporate responsibility to avoid causing, supporting or benefiting unlawful armed conflict, or contributing to serious human rights abuses or breaches of international humanitarian law.
- C. Commodity assessment: if the mine is in a “conflict-affected or high-risk” region, determining whether there are processes in place to manage the movement of gold and gold-bearing material while in the company’s custody, to mitigate against its misuse by groups associated with unlawful armed conflict.
- D. Externally sourced gold assessment: determining whether there is a process in place to ensure that appropriate due diligence is undertaken on any gold acquired, regarding any potential involvement in causing or supporting unlawful armed conflict.
- E. Management statement of conformance: where management believe that the company complies with the other relevant parts of this standard, an appropriate statement must be made to the next party in the chain of custody.

With regard to parts A, B and C, Kazakhstan is a conflict-free country, with no armed forces apart from the regular army and law-enforcement agencies (such as the police) maintained officially by the government. Kazzinc does not support any armed forces but contracts reputable third-party providers of security services.

With regard to part D and E, 77% of Kazzinc gold is produced from its own ore. The rest comes from gold/silver and poly-metallic concentrates from third-party suppliers. Most are poly-metallic suppliers rather than gold miners; Kazzinc has long-term relationships with our suppliers and customers for concentrates smelting, none of which are involved in supporting armed conflict. We are in the process of receiving formal confirmation from all of our suppliers and will post a management confirmation to this effect in due course.

In addition, Kazzinc successfully passed the London Bullion Market Association (LBMA) Responsible Gold Audit Programme in 2014. This included an independent third-party audit reviewing production over a 12-month period, and confirming it complies with the LBMA Responsible Gold Guidance. This entails high standards of due diligence to combat systematic or widespread human rights abuses, which can contribute to conflict.

Glossary

ASM

Artisanal and small-scale mining.

Australasia

Glencore defines this region to include Australia, New Caledonia, New Zealand and Papua New Guinea.

backfilling

Filling mined voids with non-hazardous material generally sourced from mine residues, to ensure long-term stability of excavations and minimise the effects of seismic activity.

brownfield site

A potential development site that has had previous development. See **greenfield site**.

business segment

Glencore operations are divided into three business segments: Metals & Minerals, Energy Products and Agricultural Products. Each segment manages its own marketing, sourcing, hedging, logistics and industrial investments.

CDP

CDP is an international, not-for-profit organisation that provides a global system for companies and cities to measure, share and disclose environmental information. See www.cdp.net for further information.

closure plan

A formal document detailing a costed conceptual outline of how the operation will be closed, taking into account the options available to deal with prevailing social and environmental issues.

CO₂e

The universal unit of measurement for the global warming potential (GWP) of greenhouse gases, where one unit of CO₂e is the GWP for one unit of carbon dioxide. This unit allows us to discuss the equivalence of different GHGs in terms of their GWP. The GWPs used in this report are 1 for CO₂, 25 for CH₄ (methane) and 298 for N₂O (nitrous oxide).

commodity departments

Each of Glencore’s business segments are divided into a number of commodity departments, e.g. copper, nickel and ferroalloys within the Metals & Minerals business segment. See pages 6–9 for a full list.

community investments

Donations and investments given to the communities connected to our operations.

concentrate

A natural commodity consisting of extracted and processed mineral ores; the first step towards producing refined minerals and metals.

direct energy

Energy used and generated by our operations, including energy generated by combustion in boilers, furnaces and vehicles owned or controlled by us. Sources include, coal, coke, diesel, gasoline, biomass, biodiesel, fuel oil, jet fuel, kerosene, LPG, naphtha, natural gas, propane and recovered electricity generated on site. See **indirect energy**.

ECHA

The European Chemicals Agency is an agency of the European Union that manages the technical, scientific and administrative aspects of the REACH system and drives implementation of the EU’s chemicals legislation.

EITI

The Extractive Industries Transparency Initiative aims to strengthen governance by improving transparency and accountability in the extractives sector (oil, gas and mining). EITI promotes revenue transparency by monitoring and reconciling payments from mining businesses and government revenues at the country level.

ferroalloys

Various iron alloys that have a high proportion of one or more other elements, e.g. manganese, chrome or silicon.

FPIC

Free, Prior and Informed Consent is a principle recognised in international law relating to indigenous people, whereby a community has the right to give or withhold its consent to proposed projects that may affect the lands it customarily owns, occupies or otherwise uses.

fugitive emissions

Emissions that emanate irregularly from many diffuse sources, such as gas leakages from equipment, and, in the case of dust, the movements of trucks and machinery in dusty areas.

GCP

Glencore Corporate Practice, our corporate responsibility framework and management programme.

greenfield site

A previously undeveloped site for commercial development or exploitation. See **brownfield site**.

GHG

Greenhouse gas.

Greenhouse Gas Protocol

Standards and guidance for corporate accounting and reporting on GHG emissions, which help governments and business leaders to understand, quantify, and manage GHG emissions (e.g. CO₂). The protocol separates GHG emissions into different scopes depending on source.

GRI

The Global Reporting Initiative is a network-based organisation that develops and disseminates voluntary sustainability reporting guidelines; there is a specific supplement for the mining and metals industry.

grievance process

A formal mechanism that local community members or other stakeholders can use to register concern about real or perceived actions by nearby operations, with the objective of resolving problems before they escalate.

hazardous

Dangerous, as defined by national legislation.

HPRI

High potential risk incidents are incidents that could have potentially resulted in a catastrophic (Category 5) or major (Category 4) outcome.

hours worked

Total hours worked by employees and contractors at our industrial sites, including overtime but excluding any scheduled or unscheduled absence (e.g. holidays or sickness) during the reporting year.

HSEC

Health, safety, environmental and/or communities.

IFC

The International Finance Corporation is part of the World Bank Group; it finances private sector ventures and projects in developing countries and provides these with advice and guidelines.

ILO

The International Labour Organization is a United Nations agency that seeks the promotion of social justice and internationally recognised human and labour rights.

ILO Declaration

The Declaration on Fundamental Principles and Rights at Work was adopted by the ILO in 1988, with the core categories of collective bargaining, discrimination, forced labour and child labour.

IMO

The International Maritime Organization is the United Nations agency with responsibility for the safety and security of shipping and the prevention of marine pollution by ships.

indirect energy

Energy used by our sites, but supplied by third parties, often as electricity. This includes electricity, steam and heating/cooling. See **direct energy**.

“industrial activities”

Glencore term covering assets and activities related to commodity production and processing, as separate from marketing activities. See **marketing activities**.

ICMM

The International Council on Mining and Metals is an industry trade body dedicated to establishing and promoting leading sustainability practices.

ICS

The International Chamber of Shipping is the principal international trade association for the shipping industry, representing ship owners and operators.

IPCC

The Intergovernmental Panel on Climate Change assesses scientific, technical and socio-economic information on the risk of human-induced climate change. It was established by the United Nations Environment Programme (UNEP) and the World Meteorological Organization (WMO).

ISO 9001

A quality management system standard (not a performance standard) issued by the International Organization for Standardization (ISO). It is a voluntary standard that can be independently audited by certifying bodies.

ISO 14001

A management system standard, similar to ISO 9001, but covering environmental impacts and risk.

LBMA

The London Bullion Market Association is an international trade association, representing the London market for gold and silver bullion, which promotes refining standards, trading documentation and the development of good trading practices.

Glossary *continued...*

LTI

Lost time injuries are recorded when an employee or contractor is unable to work following an incident.

Before 2014, Glencore recorded lost days from the calendar day following the incident, while Xstrata recorded days from the next rostered day after the incident. As a result, combined LTI figures from before to 2014 are not based on a consistent definition.

From 2014, we record lost days as beginning on the first rostered day that the worker is absent after the day of the injury. The day of the injury is not included. LTIs do not include Restricted Work Injuries (RWI) and fatalities. Historic data has been restated to exclude fatalities, as we used to include these in 2013 and before.

LTIFR

LTIFR is the total number of LTIs recorded per million working hours.

“marketing activities”

Glencore term covering trading and sales activities as well as the infrastructure and resources used in transporting products from our industrial sites to customers. See industrial activities.

MARPOL

The main international convention for preventing ships from polluting the marine environment, whether by operational or accidental causes.

nitrogen oxides

A range of related chemical compounds, collectively indicated as NOx, which can react to form GHGs. Examples are nitric oxide and nitrogen oxide.

occupational disease

Any chronic ailment or illness that occurs as a result of work or occupational activity; these are typically identified as being more prevalent in a given body of workers than in the general population, or in other worker populations. An occupational disease is different from an occupational injury.

OCIMF

The Oil Companies International Marine Forum is a voluntary association of oil companies with an interest in the shipment of crude oil and products.

OECD

The Organisation for Economic Co-operation and Development is an international organisation that provides a forum in which governments can work together to share experiences and seek solutions to tackle economic, social, environmental and governance challenges.

petajoule

A measure of energy equivalent to a thousand trillion joules, or 10¹⁵ joules, usually used to express energy consumption by cities or major industries.

PM

Particulate matter, or dust, usually from industrial sources.

protected area

A location that receives protection because of its natural, ecological or cultural value.

REACH

REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) is the European Union’s chemicals control act.

sulphur dioxide

A chemical compound (SO₂) produced by various industrial processes, including the combustion of sulphur-containing fuels. SO₂ is a pollutant gas and a precursor to particulates in the atmosphere. It can be captured and converted to saleable sulphuric acid.

tailings

The residue of an industrial process, especially residue that contains mineral ore.

TRIFR

Total Recordable Injury Frequency Rate = number of fatalities + lost time injuries (LTIs) + restricted work injuries (RWIs) + medical treatment injuries (MTIs) per million hours worked.

UNGP

The United Nations Global Compact principles cover human rights, labour, environment and anti-corruption.

Voluntary Principles

The Voluntary Principles on Security and Human Rights (Voluntary Principles) Initiative is a multi-stakeholder initiative involving governments, companies and NGOs, which promotes a set of principles for oil, gas, and mining companies to guide them in providing security for their operations in a manner that respects human rights.

waste rock

Mineral wastes produced during mining, excluding overburden. It includes the parts of ore deposits that are not processed for economic reasons. Waste rock is either used for backfilling or stored at the surface.

water discharge

Total of water effluents discharged over the course of the reporting period to subsurface waters, surface waters, sewers, treatment facilities, etc.

water stress

According to the World Business Council for Sustainable Development, water stressed areas are defined as having less than 1,700m³ of water available per person per year.

water withdrawal

Total amount of water drawn into the boundaries of the reporting organisation from all sources for any use over the course of the reporting period. Includes surface water, ground water, rainwater, municipal water and waste water from third parties.

WHO

The World Health Organisation is the directing and coordinating authority for health within the United Nations system, which sets many internationally-recognised norms and standards.

workforce

References to our workforce include both employees and contractors.

Appendix 1: Databook and GRI references

Key:
● Fully reported GRI indicator
● Partially reported GRI indicator
● Not reported GRI indicator
* Independently assured by Deloitte LLP for 2014
N/A Not applicable

Indicator	Description	Response/cross reference	Level of reporting	2012	Glencore 2013	2014	UN Global Compact principles	ICMM principles	Comments
Strategy and analysis									
1.1	Statement from the most senior decision maker in the organisation about the relevance of sustainability to the organisation and its strategy	Chairman’s statement (p. 3)	●				Statement of support of UNGC	2	
1.2	Description of key impacts, risks and opportunities, including: the organisation’s key impacts on sustainability and effects on stakeholders, including rights as defined by national laws, and relevant internationally agreed standards; and the impact of sustainability trends, risks and opportunities on the long-term prospects and financial performance of the organisation	Focusing on the issues that matter (pp. 24–25), The issues that matter on the ground (pp. 26–27), Our commitments (pp. 18–19), Glencore Annual Report (AR): Principal risks and uncertainties (pp. 26–33), International standards (p. 20)	●					2,4	
Organisational profile									
2.1	Name of the organisation	Glencore plc Glencore AR: Shareholder information (p. 204)	●						
2.2	Primary brands, products, and/or services	Who we are (p. 6), Our business model (pp. 7–9)	●						
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries and joint ventures	Who we are (p. 6), The issues that matter on the ground (pp. 26–27), Glencore Annual Report: Where we operate (pp. 6–7), Our business model (pp. 8–12), Principal operating, finance and industrial subsidiaries and investments (pp.186–189)	●						
2.4	Location of organisation’s headquarters	Contacts (p. 136), Glencore AR: Shareholder information (p. 204), www.glencore.com	●						
2.5	Number of countries where the organisation operates and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	Who we are (p. 6), Focusing on the issues that matter (pp. 24–25), The issues that matter on the ground (pp. 26–27), Regional reports (p. 74–109)	●						
2.6	Nature of ownership and legal form	Glencore AR: Shareholder information (p. 204)	●						
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	Who we are (p. 6), Our business model (pp. 7–9), The issues that matter on the ground (pp. 26–27)	●						
2.8	Scale of the reporting organisation, including: number of employees, net sales, total capitalisation, and quantity of products provided	Glencore AR: Strategic report (pp. 2–77)	●						
2.9	Significant changes during the reporting periods regarding size, structure, or ownership, including the location of or changes in operations, including facility openings, closings and expansions; and changes in the share capital structure and other capital formation, maintenance and alteration operations	Chief executive’s review (pp. 4–5), About this report (p. 28–29), Glencore AR: Financial review (pp. 34–41), Glencore AR: CEO’s review (p. 5), Glencore AR: Business review (pp. 42–77),	●						
2.10	Awards received in the reporting period		●						No awards at a Group level; individual operations received awards.
Report parameters									
3.1	Reporting period for information provided	1 January 2014 to 31 December 2014	●					10	
3.2	Date of most recent previous report	Glencore Xstrata Sustainability Report 2013	●						
3.3	Reporting cycle	Annual	●					10	
3.4	Contact point for questions regarding the report or its contents	Contacts (p. 136)	●					10	
3.5	Process for defining report content, including: determining materiality, prioritising topics within the report and identifying stakeholders the organisation expects to use the report	Focusing on the issues that matter (pp. 24–25), The issues that matter on the ground (pp. 26–27)	●					10	
3.6	Boundary of the report	About this report (pp. 28–29)	●						
3.7	State any specific limitations on the scope or boundary of the report	About this report (pp. 28–29)	●						

Appendix 1: Databook and GRI references *continued...*

Key:
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Indicator	Description	Response/cross reference	Level of reporting	2012	Glencore 2013	2014	UN Global Compact principles	ICMM principles	Comments
Report parameters <i>continued</i>									
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities that can significantly affect comparability from period to period and/ or between reporting organisations	About this report (pp. 28–29)	●						
3.9	Data measurement techniques and the basis of calculations, including assumptions and technique underlying estimations applied to the compilation of the indicators and other information in the report	About this report (pp. 28–29)	●						Detailed information on Glencore 2014 data collection processes and procedures is not reported. The glossary provides information on indicator definitions and, if applicable, major changes compared to last year.
3.10	Explanation of the effect of any restatements of information provided in earlier reports, and the reasons for such restatement	About this report (pp. 28–29)	●						The effects of restatements are not reported externally.
3.11	Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report	Our sustainability strategy (p. 12), Sustainability framework (p. 13–15), About this report (p. 28–29)	●						Detailed information on Glencore 2014 data collection processes and procedures is not reported. The glossary provides information on indicator definitions and, if applicable, major changes compared to last year.
3.12	Table identifying the location of the standard disclosures report	Appendix 1: GRI databook	●					10	
3.13	Policy and current practices with regard to seeking external assurance for the report	About this report (pp. 28–29), Appendix 2: Deloitte assurance statement	●					10	
Governance, commitments and engagement									
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight	Sustainability framework (pp. 13–15), Glencore AR: Where we operate (pp. 6–7), Glencore AR: Corporate governance report (pp. 84–98)	●				Actions taken to implement principles 1 to 10.	1	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organisation’s management, and the reason for this arrangement)	Glencore AR: Corporate governance report (pp 84–98)	●				Actions taken to implement principles 1 to 10.		
4.3	For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent, and/or non-executive members	Glencore AR: Corporate governance report (pp 84–98)	●				Actions taken to implement principles 1 to 10.		
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	Glencore AR: Corporate governance report (pp 84–98)	●				Actions taken to implement principles 1 to 10.		Mechanisms used by employees are not reported externally.
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation’s performance (including social and environmental performance)	Glencore AR: Directors’ remuneration report (pp. 99–104)	●				Actions taken to implement principles 1 to 10.	2	
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	Glencore AR: Corporate governance report (pp. 84–98), Glencore AR: Director’s report (pp. 105–109)	●				Actions taken to implement principles 1 to 10.		
4.7	Process for determining the qualification and expertise of members of the highest governance body for guiding the organisation’s strategy on economic, environmental and social topics	Sustainability framework (pp. 13–15), Glencore AR (pp. 82–83, 108–114)	●				Actions taken to implement principles 1 to 10.		Details of this process are not reported externally.
4.8	Internally developed statements of mission or values, codes of conduct and principles relevant to economic, environmental and social performance, and the status of their implementation	Our sustainability strategy (p. 12), Sustainability framework (pp. 13–15), Focusing on the issues that matter (pp. 24–25), The issues that matter on the ground (pp. 26–27), ICMM application process (p. 21), Glencore <i>Code of Conduct</i> , Glencore <i>Our Values</i>	●				Actions taken to implement principles 1 to 10.	2	

Appendix 1: Databook and GRI references *continued...*

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N/A Not applicable

Overview
Managing sustainability
Global material issues
Regional material issues
Additional information

Indicator	Description	Response/cross reference	Level of reporting	2012	Glencore 2013	2014	UN Global Compact principles	ICMM principles	Comments
Governance, commitments and engagement <i>continued</i>									
4.9	Procedures of the highest governance body for overseeing the organisation's identification, and management of economic, environmental and social performance, including relevant risks, and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct and principles	Glencore <i>Our Values</i> , International standards (p. 20), Glencore AR: Principal risks and uncertainties (pp. 26–33), Glencore AR: Corporate governance report (pp. 84–98) Terms of Reference – HSEC Committee: http://glencore.com/assets/who-we-are/doc/20140910-TermsOfReference-HSEC.pdf	●				Actions taken to implement principles 1 to 10.	1	
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental and social performance	Glencore AR: Corporate governance report (pp. 84–98), Glencore AR: Directors' report (pp. 105–109)	●				Actions taken to implement principles 1 to 10.	1	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation. Article 15 of the Rio Principles introduced the precautionary approach	International standards (p. 20), Environment (pp. 58–67)	●				Actions taken to implement principles 1 to 10.	2	Details of the application of this principle are not reported externally.
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses	ICMM application process (p. 21), International standards (p. 20), Our people: Our approach (p. 40), Human rights: Our approach (p. 54), Product stewardship (pp. 68–73)	●				Actions taken to implement principles 1 to 10.	1	
4.13	Memberships in associations (such as industry associations) and/or national/ international advocacy organisations in which the organisation: has positions in governance bodies, participated in projects or committees, provides substantive funding beyond routine membership dues, or views membership as strategic	List of memberships of lobbying organisations and other associations: www.glencore.com	●				Actions taken to implement principles 1 to 10.	1	
4.14	List of stakeholder groups engaged by the organisation	Stakeholder engagement (pp. 22–23)	●					10	
4.15	Basis for identification and selection of stakeholders with whom to engage	Stakeholder engagement (pp. 22–23)	●					10	Gathered internally, but not reported externally.
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	Stakeholder engagement (pp. 22–23), Focusing on the issues that matter (pp. 24–25), Society (pp. 44–51)	●					10	Frequency tracked internally, but not reported externally.
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	Compliance (pp. 16–17), Focusing on the issues that matter (pp. 24–25), The issues that matter on ground (pp. 26–27), Health and safety (pp. 30–37), Human rights (pp. 52–57), Environment (pp. 58–67)	●					10	
Economic indicators									
DMAEC	Management approach to economic aspects, goals and performance, policy, additional contextual information	Our commitments (pp. 18–19), Society (p. 46)	●						
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings and payments to capital providers and to governments	Society (pp. 48–51)	●						
		Total amount of payments to governments (\$ million)	●	4,328	3,696	4,966*			Data excludes VAT. Society (pp. 45, 48)
		Total amount of community investments (\$ million)	●	201	168	114*			Society (pp. 45, 48–49)
EC2	Financial implications, other risks and opportunities for the organisation's activities due to climate change	Climate change and energy (pp. 66–67) Glencore AR: Principal risks and uncertainties (p. 32)	●				9		Financial implications are not reported externally.
EC3	Coverage of the organisation's defined benefit plan obligations	Glencore AR: Notes to the financial statements (p. 164)	●						

Appendix 1: Databook and GRI references *continued...*

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Overview
Managing sustainability
Global material issues
Regional material issues
Additional information

Indicator	Description	Response/cross reference	Level of reporting	2012	Glencore 2013	2014	UN Global Compact principles	ICMM principles	Comments
Economic indicators <i>continued</i>									
EC4	Significant financial assistance received from government		●						Businesses that received government grants have not reported the government stake; any other grants received are not of a material nature.
EC6	Policies, practices and proportion of spending on locally based suppliers at significant locations of operation	Total spend with local suppliers (\$ million)	●		5,439	20,758		2	In 2013 data was not available for former Xstrata assets.
		Total number of local suppliers	●		31,165	87,427		2	In 2013 data was not available for former Xstrata assets. Stakeholder engagement (pp. 22–23), Focusing on the issues that matter (pp. 26–25)
EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	Stakeholder engagement (pp. 22–23), Our people (pp. 42–23), Society (pp. 44–51), Human rights (pp. 52–57)	●					9	
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind or pro-bono engagement	Our strategy (pp. 10–11), Society (pp. 44–51), Environment (pp. 58–67)	●					9	Impact of investments is not reported externally.
Environmental indicators									
DMAEN	Management approach to environmental aspects, goals and performance, policy, additional contextual information	Our sustainability strategy (pp. 12), Sustainability framework (pp. 13–15), Our commitments (pp. 18–19), Focusing on the issues that matter (pp. 24–25), Environment (pp. 58–67)	●				7, 8		
EN1	Weight of materials used by weight or volume		●					6	Production Report for the 12 months ending 31 December 2015 http://glencore.com/assets/investors/doc/reports_and_results/2014/GLEN-2014-Q4-Production-Report.pdf Other data is tracked internally but not reported externally.
EN2	Percentage of materials used that are recycled input materials	Secondary materials and recyclable wastes, i.e. scrap (%)	●			2.6%	8	6,8	
EN3	Direct energy consumption by primary energy source	Direct energy (PJ)	●	115	136	142*		6	
		Coal	●	7%	11%	11%		6	
		Natural gas	●	18%	18%	13%		6	
		Mineral oil	●	63%	55%	56%		6	
		Renewable (hydropower etc)	●	11%	10%	14%		6	
		Other sources	●	1%	6%	6%		6	
EN4	Indirect energy consumption by primary energy source	Purchased electricity (PJ)	●	97	109	108*		6	
		Non-renewable	●	89%	89%	81%		6	
		Renewable	●	11%	11%	19%		6	
EN8	Total water withdrawal	Total water withdrawal (million m³)	●	724	942	958*			Surface water consumption for rice assets was estimated based on the total area used for cultivation.
		Surface water (million m³)	●	205	238	203			
		Ground water (million m³)	●	196	205	206			
		Potable water (million m³)	●	57	61	27			
		Other sources (million m³)	●	266	438	522			
EN10	Percentage of water recycled and reused	Total volume of water recycled and reused (million m³)	●	635	623	643	8	6,8	Environment: Water (pp. 62–63)
		Percentage of water recycled (%)	●	88%	66%	67%			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Areas owned, leased, managed, located in, adjacent to, or that contain protected areas and areas of high biodiversity value outside protected areas (ha)	●	53,138	46,908	53,138	8	7	Environment: Land use and biodiversity (p. 61)

Appendix 1: Databook and GRI references *continued...*

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Indicator	Description	Response/cross reference	Level of reporting	2012	Glencore 2013	2014	UN Global Compact principles	ICMM principles	Comments
Environmental indicators <i>continued</i>									
EN11	Total land owned, leased or managed for mining operations	Total land owned or leased (ha)		2,402,076	1,806,446	2,356,442			This includes all land owned, leased or managed by our non-agricultural operations, including land held for mines, smelters, warehousing and other facilities belonging to our energy and metals & mining operations. Since 2013, this also includes pastoral land. Prior to 2014, these pastoral lands were still excluded.
	Total land owned, leased or managed for agricultural operations	Total land owned or leased (ha)		332,653	332,995	337,576			This includes all land owned, leased or managed by our agricultural division, including land used for crop and rice production, as well as for silos, crushers and other agricultural operations.
EN12	Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	Environment: Land use and biodiversity (p. 61)	●				8	7	
MM1	Amount of land disturbed or rehabilitated	Land rehabilitated (ha)	●	26,141	39,575	35,247	8		A full land balance is tracked internally, but not reported externally.
		Total land disturbed (ha)	●	93,596	105,625	118,240	8		A full land balance is tracked internally, but not reported externally.
MM2	Number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number (percentage) of those sites with plans in place	Environment: Land use and biodiversity (p. 61)	●				8		Where required, our mining operations have site-specific land management plans, created by each operation's management team and approved by the local competent authorities. Data on the number and percentage of sites identified as requiring biodiversity management plans is tracked internally but not reported externally.
EN16	Total direct and indirect greenhouse gas emissions by weight	Direct emissions (thousand tonnes CO ₂ e)	●	22,372	24,406	23,186*		6	Environment: Climate change and energy (pp. 66–67)
		Indirect emissions (thousand tonnes CO ₂ e)	●	12,426	13,826	13,381*		6	Environment: Climate change and energy (pp. 66–67)
		Total emissions (thousand tonnes CO ₂ e)	●	34,798	38,232	36,567*		6	Environment: Climate change and energy (pp. 66–67)
EN17	Other relevant indirect greenhouse gas emissions by weight	Total emissions (thousand tonnes CO ₂ e)	●	N/A	774,263	786,961			This includes 785 million tonnes of CO ₂ emissions from the combustion of coal and oil products by third parties (assuming all coal and oil products were incinerated); 428 tonnes of which stem from materials produced by our operations and 356 million tons result from materials sourced from other parties. The remainder of the CO ₂ emissions result from our time-chartered shipping. Environment: Climate change and energy (pp. 66–67)
EN19	Emissions of ozone-depleting substances by weight		N/A					6,8	Emissions from ozone-depleting substances are not considered material for Glencore.
EN20	NO _x , SO _x , and other significant air emissions by type and weight	Total particulates: emissions – total mass (tonnes)	●	9,873	12,351	10,548		6	Excludes emissions from time-chartered vessels but includes those from vessels that we own. Includes air emissions from mobile equipment (former Xstrata assets previously excluded these from their reporting, but they are now included for historic data).
		NO _x (oxides of nitrogen): emissions – total mass (tonnes)	●	68,937	68,805	71,429		6	Excludes emissions from time-chartered vessels but includes those from vessels that we own. Includes air emissions from mobile equipment (former Xstrata assets previously excluded these from their reporting, but they are now included for historic data).
		SO _x (oxides of sulphur): emissions – total mass (tonnes)	●	558,778	607,299	424,909*		6	Excludes emissions from time-chartered vessels but includes those from vessels that we own. Includes air emissions from mobile equipment (former Xstrata assets previously excluded these from their reporting, but they are now included for historic data).

Appendix 1: Databook and GRI references *continued...*

Key:
● Fully reported GRI indicator
● Partially reported GRI indicator
● Not reported GRI indicator
* Independently assured by Deloitte LLP for 2014
N/A Not applicable

Indicator	Description	Response/cross reference	Level of reporting	2012	Glencore 2013	2014	UN Global Compact principles	ICMM principles	Comments
Environmental indicators <i>continued</i>									
EN21	Total water discharge by quality and destination	Total discharged water (million m³)	●	710	946	928		6	Since 2012, we have classified irrigation water as discharged waste water and reported it as such. Approximately 99% of all water discharged from our agricultural products division is irrigation water.
		Water discharged from site to surface water (million m³)	●	604	678	776		6	
		Water discharged from site to sea water/ocean (million m³)	●	0	120	109		6	
		Water discharged from site to ground water (million m³)	●	80	128	1		6	Glencore’s managed operations undertake assessments of their water needs and those of local users. All assets in water-scarce regions with significant water source impacts have water management plans in place.
		Water discharged to offsite treatment (million m³)	●	6	8	13		6	
		Water exported to third parties (million m³)	●	20	12	29		6	Glencore does not collect all breakdown data.
EN22	Total weight of waste by type and disposal method	Mineral waste (million tonnes)	●	1,791	2,135	2,189*	8		Data refers to mineral waste generated. Mineral waste figures for former Glencore assets have been revised to include overburden for all reported years.
		% mineral waste recycled	●	0%	1%	1%	8		
		Total non-mineral waste (thousand tonnes)	●	463	636	916*	8	6,8	Data refers to non-mineral waste disposed of.
		Hazardous non-mineral waste (thousand tonnes)	●	153	228	388	8	6,8	
		Non-hazardous non-mineral waste (thousand tonnes)	●	310	408	528	8	6,8	The 2013 non-mineral non-hazardous waste value was restated after a data collection issue was resolved, resulting in a decrease of 0.2 million tonnes.
		% non-mineral waste recycled	●	36%	44%	29%	8	6,8	
MM3	Total amounts of overburden, rock, tailings and sludges and their associated risks	Total amounts of overburden, rock, tailings and sludges (million tonnes)	●	1,791	2,135	2,189			The data provided here shows the total mineral waste generated.
EN23	Total number and volume of significant spills	Number of significant spills	●	113	76	47		6	There were 3,181 environmental incidents and spills in 2014. EN23 data covers significant spills i.e. those in categories 3, 4 and 5. Other incidents and non-significant spills are not included in the scope of EN23.
		Volume of significant spills (m³)	●	1,378	112,485	92,415		6	
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	Product stewardship (pp. 68–73)	●				8	6,8	We review the environmental impact of products and services but do not currently report on the extent of the impact of mitigation actions.
EN27	Percentage of products sold and their packaging materials that are reclaimed by category		N/A						Packaging is not considered material to the business.
EN28	Monetary value of significant fines (USD)	Monetary value of environmental fines (\$)	●	111,445	3,261,992	790,031		6	
	Total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Number of non-monetary sanctions (environmental prosecutions, regulatory actions/orders, regulatory non-compliance, and other sustainability-related penalties)	●	N/A	N/A	102		6	Information on the number of non-monetary sanctions for non-compliance with environmental laws and regulations was not consistently collected before 2014.
Labour practices and decent work									
DMALA	Management approach to labour practices and aspects, goals and performance, policy, organisational responsibility, training and awareness, monitoring and follow-up, and additional contextual information	Our commitments (pp. 18–19), International standards (p. 20), Stakeholder engagement (pp. 23–24), Our people (pp. 38–43), Society (pp. 46–51), Glencore <i>Code of Conduct</i>	●						
LA1	Total Workforce	Total workforce	●	188,555	203,637	181,349*			
		Total number of employees	●	112,563	112,308	109,530			
		Total number of contractors	●	75,992	91,329	71,819			

Appendix 1: Databook and GRI references *continued...*

Key:
● Fully reported GRI indicator
● Partially reported GRI indicator
● Not reported GRI indicator
* Independently assured by Deloitte LLP for 2014
N/A Not applicable

Indicator	Description	Response/cross reference	Level of reporting	2012	Glencore 2013	2014	UN Global Compact principles	ICMM principles	Comments
Labour practices and decent work <i>continued</i>									
LA1	Employee breakdown by role type	Executive/senior/middle management	●	4%	4%	3%			
		Supervisors/administrators/technical	●	22%	22%	23%			
		Operational/production/maintenance/security	●	74%	74%	74%			
	Employee breakdown by employment contract	Full-time employees	●	110,051	108,624	106,893			
		Part-time employees	●	828	1,461	1,078			
		Employees: casual	●	1,684	2,223	1,559			
	% Female Employees	Number of female employees	●	18,455	19,147	17,093*			
		% of employees that are female	●	16%	17%	16%*			
		% of managers that are female	●	17%	17%	19%			
LA2	Total Redundancies	Forced redundancies + voluntary redundancies	●	17%	20%	12%			
	Total Turnover by Region	Africa	●	11%	15%	8%			In 2012 and 2013 the data for Australia and Asia was jointly reported.
		Asia	●	21%	18%	16%			
		Australia	●			14%			
		Europe	●	8%	9%	20%			
		North America	●	17%	66%	14%			
		South/Latin America	●	19%	19%	14%			
	Total Turnover by Age group	Age < 30	●	33%	30%	32%			Data not available for former Xstrata sites before 2014
		Age 30–50	●	48%	46%	45%			Data not available for former Xstrata sites before 2014
		Age > 50	●	19%	24%	23%			Data not available for former Xstrata sites before 2014
	Total Turnover by Gender	Male	●	80%	79%	79%			Data not available for former Xstrata sites before 2014
		Female	●	20%	21%	21%			Data not available for former Xstrata sites before 2014
LA4	Percentage of employees covered by collective bargaining agreement	Percentage of employees covered by collective bargaining agreements	●	74%	72%	71%	3	3	Our people: Industrial relations (p. 43)
LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements	Our people (pp. 40–43)	●						Minimum notice periods vary across the Group, ranging from 1 week to 6 months (see also Our people: Engaging with our people, p. 43)
MM4	Number of strikes and lock-outs exceeding one week’s duration	Number of strikes and lock-outs exceeding one week’s duration	●			28			Our people: Industrial relations (p. 43)
LA7	Occupational illness (number of new cases)	Occupational illness (number of new cases)	●	328	462	839		5	Health and safety (pp. 30–37)
LA7	Total recordable injury frequency rate (TRIFR)	TRIFR	●	8.39	8.05	5.89		5	Before 2014, TRIFR for former Glencore sites included all types of injuries plus instances where first aid was given.
LA7	Lost time injury frequency rate (LTIFR)	LTIFR	●	2.06	1.87	1.58*		5	
LA7	Workforce fatality frequency rate (FIFR)	FIFR	●	0.061	0.054	0.036		5	
LA7	Total number of fatalities	Number of workforce (employees + contractors) fatalities	●	27	26	16*		5	Thereof contractors: 2012: 10 2013: 8 2014: 5
	Total number of fatalities – by Region	Africa	●	7	8	8		5	
		Asia	●	5	7	5		5	
		Australia	●	1	2	1		5	
		Europe	●	3	1	1		5	
		North America	●	–	–	–		5	
		South/Latin America	●	11	8	1		5	

Appendix 1: Databook and GRI references *continued...*

Key:
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● Partially reported GRI indicator
● Not reported GRI indicator
* Independently assured by Deloitte LLP for 2014
N/A Not applicable

Overview
Managing sustainability
Global material issues
Regional material issues
Additional information

Indicator	Description	Response/cross reference	Level of reporting	2012	Glencore 2013	2014	UN Global Compact principles	ICMM principles	Comments
Labour practices and decent work <i>continued</i>									
LA8	Education, training, counselling, prevention and risk-control programmes in place to assist workforce members, their families or community members regarding serious diseases	Our people: Protecting our workforce (p. 40) Society: Working with communities (pp. 50–51)	●						
LA10	Average hours of training per year per employee	Average training hours per worker (employees + contractors)	●	51	39	44		2	The data is tracked and reported based on the average of employees and contractors.
	Percentage of training hours per employee category	Contractors	●	25%	27%	25%		2	
		Management	●	1%	2%	1%		2	
		Operational: production, maintenance	●	64%	60%	58%		2	
		Supervisors, administration, technical	●	10%	11%	16%		2	
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age, minority group membership and other indicators of diversity	Minority group membership	●						Glencore has operations in regions where minority group membership data cannot be collected for privacy reasons. We therefore cannot provide an accurate number here.
		Men < 30	●	19%	17%	17%	6	3	The breakdown ‘Employee breakdown by role type’ and ‘Employee breakdown by employment contract’ can be found under LA1.
		Women < 30	●	5%	4%	4%	6	3	
		Men 30-50	●	47%	48%	49%	6	3	
		Women 30-50	●	9%	10%	9%	6	3	
		Men > 50	●	17%	18%	18%	6	3	
		Women > 50	●	3%	3%	3%	6	3	
		% of managers that are female	●	17%	17%	19%	6	3	
		Female members of the Board of Directors	●	0	0	1*	6	3	The data for 2012 refers to both Glencore and Xstrata, which were separate companies at that time
LA14	Ratio of basic salary of men to women by employee category		●				6	3	Our basic salaries are not differentiated by gender (1:1)
Human rights									
DMAHA	Management approach to human rights aspects, goals and performance policy, organisational responsibility, training and awareness, monitoring and follow up additional contextual information	Human Rights Policy (http://glencore.com/who-we-are/corporate-governance/policies/human-rights-policy), International standards (p. 20), Our commitments (pp. 18–19), Our people: Our approach (p. 40), Glencore <i>Code of Conduct</i>	●				3, 4, 5, 6		
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening	Human Rights Policy (http://glencore.com/who-we-are/corporate-governance/policies/human-rights-policy), Human rights (pp. 52–57), Glencore <i>Code of Conduct</i>	●				1,2	1,3	We undertake due diligence for all our major investments; human rights risks are considered as part of this process. We seek to ensure that all significant investment agreements include a requirement to comply, or demonstrate comparable practices, with the Glencore <i>Code of Conduct</i> , including its provisions on respect of human rights. Figures are tracked for internal purposes but not reported externally.
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights, and actions taken	Our commitments (pp. 18–19), Compliance: Reporting misconduct (p. 17), Human rights (pp. 52–57), Health and safety (p. 36),	●				1,2	1,3	We review our approach to supply chain management against the UN <i>Guiding Principles on Business and Human Rights</i> . Data on the percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken are tracked and monitored for internal use only.
HR4	Total number of incidents of discrimination and actions taken	Compliance (pp. 16–17)	●	0	21	1	6	3	Each reported case of discrimination is carefully analysed; where confirmed we take appropriate disciplinary action.

Appendix 1: Databook and GRI references *continued...*

Indicator	Description	Response/cross reference	Level of reporting	2012	Glencore 2013	2014	UN Global Compact principles	ICMM principles	Comments
Human rights <i>continued</i>									
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	Number of identified operations	●	0	0	0	3	3	
HR6	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour	Number of identified operations	●	0	0	0	5	3	In 2014, the youngest employees at our assets were aged17. None of them was exposed to hazardous work.
HR7	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour	Number of identified operations	●	0	0	0	4	3	
HR8	Percentage of security personnel trained in the organisation’s policies or procedures concerning aspects of human rights that are relevant to operations	Our commitments (pp. 18–19), Human rights (pp. 52–57)	●	N/A	N/A	49%	2		Employed personnel only.
MM5	Number of sites located on or near Indigenous People’s Land		●			31			
	Number of sites with operations in or adjacent to an indigenous community that have an agreement with that community		●			25			
Social performance indicators									
DMASO	Management approach to society aspects, goals and performance policy, organisational responsibility, training and awareness, monitoring and follow-up additional contextual information	International standards (p. 20), Our commitments (pp. 18–19), Our people: Our approach (p. 40), Society (pp. 44–51), <i>Glencore Code of Conduct</i>	●						
SO1	Nature, scope and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating and exiting	Stakeholder engagement (pp. 22–23), Focusing on the issues that matter (pp. 24–25), Society (pp. 44–51), Human rights (pp. 52–56)	●					2,4	Our operations draw up detailed engagement plans that vary depending on the complexity of their community interactions and relationships.
MM6	Number and description of significant disputes relating to land use, customary rights of local communities and indigenous peoples		●			9			There were 9 disputes related to land use in 2014. These occurred at Kwagga (1), Wandoan (5), Alumbreira (1), Tampakan (1), and Elands (1).
MM7	The extent to which grievance mechanisms were used to resolve disputes relating to land use and customary rights of local communities and indigenous peoples, and the outcomes		●						We require each operation where we have operational control to have a complaint registration process. This should include a formal grievance and conflict resolution process, for community members and others to make complaints and raise concerns. The process should include transparent procedures for registering, evaluating and responding appropriately to the concerns raised. The complaints regarding access to land are mainly related to resettlement planning activities, and have been addressed through ongoing consultations around these processes.
		Total number of community complaints		2,814	1,481	1,208*			
MM8	Number (and percentage) of company operating sites where artisanal and small scale mining takes place on, or adjacent to, the site; the associated risks and the actions taken to manage and mitigate these risks	Number of sites	●			8			Human rights: Artisanal mining (p. 56)
		% of sites	●			5%			Human rights: Artisanal mining (p. 56)

Key:
● Fully reported GRI indicator
● Partially reported GRI indicator
● Not reported GRI indicator
* Independently assured by Deloitte LLP for 2014
N/A Not applicable

Appendix 1: Databook and GRI references *continued...*

Key:
● Fully reported GRI indicator
● Partially reported GRI indicator
● Not reported GRI indicator
* Independently assured by Deloitte LLP for 2014
N/A Not applicable

Indicator	Description	Response/cross reference	Level of reporting	2012	Glencore 2013	2014	UN Global Compact principles	ICMM principles	Comments
Social performance indicators <i>continued</i>									
MM9	Sites where resettlements took place, the number of households resettled in each, and how their livelihoods where affected in the process	Resettlements (p. 47)	●						
MM10	Number and percentage of operations with closure plans	Stakeholder engagement (pp. 22–23), Environment (pp. 58–69)	●						Data is collected for internal use and not reported externally.
SO2	Percentage and total number of business units analysed for risks related to corruption	Compliance (pp. 16–17)	●				10	1	Glencore compliance programme
SO3	Percentage of employees trained in organisation’s anti-corruption policies and procedures	Managers trained: 51.3% Non-managers trained: 48.4% Total trained: 46.6%	●				10	1	See also Compliance: Training (p. 17)
SO4	Actions taken in response to incidents of corruption	Compliance (pp. 16–17), Global Anti-Corruption Policy (http://glencore.com/who-we-are/corporate-governance/policies/global-anti-corruption-policy)	●				10	1	Data is tracked and monitored for internal use only.
SO5	Public policy positions and participation in public policy development and lobbying	List of memberships of lobbying organisations and other associations: http://glencore.com/sustainability/sustainability-publications/	●					1	Further detailed information is not reported externally.
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations		N/A						No significant fines/non-monetary sanctions occurred in 2014.
Product responsibility									
DMAPR	Management approach to product responsibility aspects, goals and performance policy, organisational responsibility, training and awareness, monitoring and follow-up additional contextual information	Compliance (pp. 16–17), Our commitments (pp. 18–19), Focusing on the issues that matter (pp. 24–25), Issues that matter on the ground (pp. 26–27), Product stewardship (pp. 68–73), Glencore <i>Code of Conduct</i>	●						
MM11	Programmes and progress relating to materials stewardship	Product stewardship (pp. 68–73)	●				7, 9		Progress is tracked internally, but not reported externally.
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	Product stewardship (pp. 68–73)	●						All our products are thoroughly assessed as part of the REACH registration and notification process.
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements		●					8	GCP principles require our commodity products to comply with the regulations and good practice guidelines of the regions in which we operate. This also applies to the information requirements of our products. In Europe extensive dossiers have been drafted and submitted for all substances in our products subject to the REACH (pre)-registration requirements; these contain information on properties, environmental impacts and guidance for safe use. This information is actively sent to our customers by means of a safety data sheet (SDS). For products not subject to REACH registration, we have documented information on properties, environmental impacts and guidance for safe use in SDSs and made available this to our customers.
PR6	Programmes for adherence to laws, standards and voluntary codes related to marketing communications, including advertising, promotion and sponsorship		N/A						Not material; this indicator is not relevant to our core business of mining and commodities marketing.
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services		●						None to report.

Appendix 2: Assurance statement



Independent assurance report to Glencore Plc on select information in the 2014 Sustainability Report

An overview of the scope of our assurance work

We have been engaged by Glencore Plc (“Glencore”) to perform a limited assurance engagement on the following selected sustainability information presented in Glencore’s sustainability report for the year ended 31 December 2014.

Selected Subject Matter for assurance

Glencore’s assertion in relation to:

- the alignment of its policies to the International Council on Mining and Metals (“ICMM”) ten Sustainable Development Principles and Position Statements as stated in the section entitled “The ICMM application process” on page 21 (ICMM subject matter 1)

- the approach that it has adopted to identify and prioritise its material sustainable development risks and opportunities as stated in the section entitled “Focusing on the issues that matter” on pages 24–27 (ICMM subject matter 2)
- the existence and status of implementation of systems and approaches used to manage and report the selected material SD risks and opportunities and key performance indicators presented in table 1 below (ICMM subject matter 3 and 4 respectively)
- its self-declaration of level A+ with respect to the application of the global reporting initiative (GRI) G3 reporting guidelines (ICMM subject matter 5)

The Subject Matter has been assessed against the criteria provided in the ICMM Sustainable Development Framework Assurance Procedure and the definitions and approaches in the *Glencore Corporate Practice (GCP) database field definitions document* available upon request from Glencore, (“Reporting Criteria”).

Table 1: ICMM subject matters 3 and 4

Approach to addressing selected material risks and opportunities	Sustainability Report page reference	Key performance indicators ¹
Safety		
Eliminating loss of life	34	Total number of Fatalities (employee and contractor)
A steady reduction in injuries	34	Lost Time Injury Frequency Rate (employee and contractors)
Creating a safety culture through leadership	35	–
Safework and SafeWork implementing to date	35–36	–
People		
Diversity	42	Total number and % of female employees Total number (representation) of women on the Board
Society		
Our Direct economic contributions	48	Total amount of payments to governments (USD)
Addressing complaints	46–47	Total number of community complaints
We contribute to community development	49	Total amount of community investments (USD)
Human Rights		
Security and human rights	54–55	–
Environment		
Climate change and Energy	66–67	Total direct energy consumption (PJ) Total indirect energy consumption (PJ) Total direct carbon emissions (tonnes of CO ₂) Total indirect carbon emissions (tonnes of CO ₂)
Air Quality	65	Total Sulphur Dioxide emissions (tonnes)
Waste management	64	Total hazardous and non-hazardous mineral generated (tonnes) Total hazardous and non-hazardous non-mineral waste disposed (tonnes)
Responsible use of water we withdraw	62–63	Total water withdrawal (m ³)
Product stewardship	68–72	–

1 Marked with a * on Appendix 1: Databook and GRI references of the Glencore Sustainability Report 2014:

Our assurance conclusion

Based on our procedures described in this report, nothing has come to our attention that causes us to believe that the selected subject matter, stated above and on the indicated pages of the Sustainability Report, for the year ended 31 December 2014 have not been prepared, in all material respects, in accordance with the Reporting Criteria.

Respective responsibilities of Directors and independent assurance provider

The Directors are responsible for the preparation of the sustainability information and statements contained within the Glencore Sustainability Report 2014. They are responsible for determining Glencore’s sustainability objectives and for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived, including the description of Glencore’s application of the ICMM’s Sustainable Development Framework.

Our responsibility is to express a conclusion on the selected Subject Matter based on our procedures. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE 3000) Assurance Engagements other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with the independence and ethical requirements and to plan and perform our assurance engagement to obtain sufficient appropriate evidence on which to base our limited assurance conclusion. We performed the engagement in accordance with Deloitte’s independence policies, which cover all of the requirements of the International Federation of Accountants’ Code of Ethics and in some areas are more restrictive.

Our work has been undertaken so that we might state to the Company those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Glencore for our work, for this report, or for the conclusions we have formed.

Deloitte LLP

London, United Kingdom
24 April 2015

Contacts

We welcome feedback on this report or on any other aspect of sustainability at Glencore. You can send general comments to global.gcp@glencore.com.

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By their nature, forward looking statements involve known and unknown risks and uncertainties, many of which are beyond Glencore’s control. Forward looking statements are not guarantees of future performance and may and often do differ materially from actual results.

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