

GLENCORE

Voluntary Principles on Security and Human Rights

Annual Report 2020 – Update Report Year Two

Introduction

Glencore is one of the world's largest global diversified natural resource companies and a major producer and marketer of more than 60 commodities. Our operations comprise around 150 mining and metallurgical sites and oil production assets. We have a strong footprint in over 35 countries in both established and emerging regions for natural resources. A global network of more than 30 marketing offices support our industrial activities. We employ around 145,000 people.

In March 2015, Glencore became a member of the Plenary of the Voluntary Principles (Voluntary Principles).

This summary update report covers the material actions Glencore has taken to implement the Voluntary Principles during 2020.

Material changes since the last full submission (2018 Report) and annual update (2019 Report)

Engagement in the Voluntary Principles Initiative (VPI)

During 2020, Glencore participated in the Annual Plenary Meeting held virtually by contributing a presentation on 'Utilising the Voluntary Principles in the Democratic Republic of Congo'.

We have participated in a number of the VPI meetings and contributed to DCAF's consultation process on their revised Voluntary Principles Guidance.

We engage in the Peruvian Voluntary Principles regional working group promoted by DCAF and in activities organised by the NGO Guaman Poma. Due to the Covid-19 pandemic, there were no in-person meetings in 2020 of the national working group. We are also active participants in DCAF's DRC working group.

We are a member of the International Council on Mining and Metals (ICMM); we align our policies with its Sustainable Development Framework, which includes a commitment to uphold human rights and to address risks relating security-related human rights breaches. During 2020, we continued our participation in the ICMM's working group for security and human rights.

Transparency

We continue to report on our membership of the VPI and implementation of the principles in our [Annual Reports](#), and our annual [Sustainability Reports](#).

In 2020, we had [two] incidents occur that involved interaction between local communities and public security forces.

During June and July, several thousand individuals invaded land owned by our asset Mopani Copper Mines plc (Mopani) in Zambia and began clearing over 300 hectares of land and subdividing it illegally. Despite requests by both Mopani and local authorities to vacate the land, and notices published in the local media informing the group on the need for them to leave the land, they remained in place.

In mid-July, Zambia's High Court authorised local police to remove people occupying the land. Mopani requested support from the police and outlined its expectations in terms of observing human rights and use of minimum force necessary to remove the people. The group peacefully left

the land. In January 2021, Glencore announced an agreement with ZCCM Investments Holding plc (ZCCM) to transfer its 90% interest in Mopani to ZCCM, the owner of the remaining 10% interest.

In Peru, the impact of Covid-19 led to social unrest in the Espinar region, affecting our Antapaccay asset and other companies operating in the region. This resulted in all roads around Antapaccay being blocked, affecting all movements in and out. Approximately 1,800 workers were confined onsite between 21 July and 8 August. In addition, protestors broke into the site and damaged the water plant that supplies the mine and two communities. In response to the situation, the government dispatched around 340 police officers to secure the site. The issue was resolved following engagement with the community and the agreement for Antapaccay to provide additional support to the community of Espinar to mitigate against the impacts of the pandemic.

Group policies and guidelines

In 2019, we initiated a project to develop and implement a more streamlined and consistent approach to our Group policy architecture and the underlying policies, standards, procedures and guidelines. This led to a review of our policies, standards, procedures and guidelines, including those relating to human rights and security, from both a structural and substance perspective.

We are rolling out the updated Group policies during 2021 and we will make these publicly available on our website.

Country implementation

We launched our Voluntary Principles implementation programme across the Glencore group in October 2013, focusing on assets in countries where we identified a high risk of potential security-related human rights impacts. We regularly review internal risk registers and external sources and reconsider which countries need to implement the Voluntary Principles accordingly.

We are currently implementing the Voluntary Principles in five countries: Chad, Colombia, Democratic Republic of Congo, Peru and South Africa.

Chad

Glencore has Exploration and Production (E&P) operations in southern Chad. The asset has been in care and maintenance since April 2020. Our in-country security manager and team oversee the use of private security providers to protect our assets and monitor the activities of public security providers operating in the region.

In 2020, due to Covid-19, Voluntary Principles-related activities were limited, but included refresher training that aligned with Glencore's Voluntary Principles Guidance through regular toolbox talks for the private security providers, as well as continued screening, where possible, to eliminate individuals with a criminal record and those credibly implicated in human rights breaches.

The private security provider also provided a basic induction for its employees on human rights and the Voluntary Principles. To date, all members of public security forces present on Chad E&P's operations, including the head of the public security force based in N'Djamena, received Voluntary Principles training from an international provider or in-house trainers.

In 2020, Chad E&P held four public forums for interested stakeholders including NGOs, village chiefs, canton heads, administrative authorities and military representatives. During the forums, in which private and public security providers participated, discussions covered a range of operational matters, including security.

Chadian law requires armed public security forces to be involved in the protection of all Chadian oilfield operations – the DSPIP, the Direction de la Sécurité et Protection des Installations Pétrolières du Tchad. As a result, our Chad E&P Oil operation has two DSPIP platoons stationed in its operating region. DSPIP operate in a similar manner to the police, but without any custody authority.

While Chad E&P has no control over DSPIP’s activities, it has signed a memorandum of understanding (MoU) that sets out the expectations on roles and responsibilities and addresses the requirements of the Voluntary Principles.

Chad E&P’s internal guidance governs all interactions with public security forces and addresses topics such as request for support; use of company equipment; conduct of operations; use of force; and escalation mechanisms.

Each year, Chad E&P’s security team undertakes a review of security at its operations with the Head of DSPIP. It conducted the review remotely this year due to Covid-19 and included remote meetings with local detachments heads. Chad E&P uses the annual review as an opportunity to raise awareness of its security commitments and the Voluntary Principles with DSPIP.

There were no reports of any incidents relating to the conduct of the private and public security forces in the service of our operations.

Colombia

Colombia is a country member of and implementer of the Voluntary Principles.

The Prodeco Group (Prodeco), which in part comprises Glencore’s operations in Colombia for the export of thermal coal and its associated infrastructure, is located in the regions of Cesar and Magdalena, with administrative offices in Barranquilla (region of Atlántico). Prodeco is an integrated asset that includes open-pit coal mining operations (La Jagua and Calenturitas mines), an export port facility and a 39.76% stake in FenocoSA, operator of the rail concession that links our mines to our export ports.

In March 2020, in response to the Covid-19 pandemic and market conditions and with the National Mining Agency’s (ANM) approval, Prodeco suspended its operations.

Throughout its suspension of operations, Prodeco continued to work with local communities and authorities on security matters, as well as to speak out publicly against threats and violence against victims and social leaders in the Cesar region. For example, when, in May, Mr. Aramis Bayona, a social leader that worked closely with Prodeco in our forest compensation plans in the rural area of Becerril, was murdered, Prodeco publicly and emphatically rejected this crime:

<http://www.grupoprodeco.com.co/es/sala-de-prensa/noticias-corporativas/grupo-prodeco-lamenta-y-condena-asesinato-de-lider-social2/>

In June 2020, Prodeco helped to organise and participated in a meeting with the Colombian Ministry of Interior and the Mayor of Becerril to review the security situation in Becerril and surrounding areas and to request an investigation into Mr Bayona’s murder and other threats to local leaders.

Prodeco continued participating in the Energy Mining Committee (CME), a multi-stakeholder initiative for dialogue and collaboration. Various society and institutions converge in the CME to further the protection, promotion and respect of human rights in relation to security.

Prodeco also continued to participate in the 'Working Group on Coal and Human Rights' initiative. This was established in mid-2015 by the mining companies in the Cesar and La Guajira regions as a platform to work with the Colombian government to improve the Colombian coal industry's human rights performance. In response to increased murders, attacks, intimidation, threats and restrictions on individuals, especially on social leaders and human rights defenders, the Working Group has worked with civil society organisations, including El Centro Regional de Empresas y Emprendimientos Responsables (CREER) and FIP, to develop an action protocol for the participating companies. The protocol remains active and, through Prodeco's participation in the Working Group, it continues to engage with the Colombian government and local communities on these matters.

All members of the Working Group, including the regional authorities of Cesar and Guajira, the Ministry of Mines and Energy, and the Ministry of the Interior, have signed a joint statement condemning the practice of threatening the lives or safety of individuals.

In February 2021, Prodeco announced that it had commenced the process of handing its mining titles back to the the Republic of Colombia through the ANM.

During 2020, Prodeco received no complaints relating to security or human rights.

Democratic Republic of Congo (DRC)

Glencore's DRC coper-cobalt assets are the Kamoto Copper Company (KCC) and Mutanda Mining (MUMI), both of which are located in the Lualaba province (formerly part of the Katanga province).

In late 2019, we placed MUMI into care and maintenance. During the year, MUMI continued its security team's training programme.

Our DRC assets have incorporated the Voluntary Principles expectations into the MoU established with the Mine Police and National Congolese Police Force. The MoU sets performance and behaviour expectations for the public security forces deployed at KCC and MUMI. It has also established the procedure for the removal of individuals credibly implicated in human rights incidents. In the DRC, it can be difficult to undertake background checks on individuals due to the lack of traceability of civil and judicial registers.

During 2020, our DRC assets continued to run their human rights inductions and capacity building sessions for their own and public security forces. These included sessions on the appropriate use of force and ethics, as well as annual refresher sessions on the Voluntary Principles.

KCC and MUMI's community relations' teams include engagement on their security activities during community meetings.

In 2020, KCCs community activities mainly focused on the management of the Covid-19 in the local communities. These activities included:

- Ongoing dialogue and a security awareness campaign with artisanal and small-scale miners in Mashamba East dump, this included provided information on the security wall built around KCC's mine area
- Dialogue to build security awareness with farmers living in the Tshamundenda village and who made intrusions onto KCC's concession
- Installing communal hand wash stations
- An education campaign and distribution of mask to artisanal miners. The masks are by female-run cooperatives supported by KCC

The restrictions relating to Covid-19 meant that KCC was not able to run its summer schools. In previous years, these schools support around 13,000 children with activities, meals and information on the dangers of artisanal mining. Instead, KCC monitored the presence of children in artisanal mining activities and continued its awareness campaigns.

In 2020, our DRC assets received no complaints relating to security or human rights during the year.

Peru

In Peru, our implementation of the Voluntary Principles has focussed on our Antapaccay copper operation, as our risk assessment has shown it to be at greatest risk to potential human rights and security infringements compared to our other Peruvian operations. We are reviewing and revising security-related policies and procedures at Volcan Compañía Minera SAA (Volcan).

All security personnel working at Antapaccay receive training on our internal health and safety policies and procedures, which includes a section on Antapaccay's human rights commitments. Representatives from Antapaccay participate in Cusco's regional multi-stakeholder group on human rights, the use of force and the Voluntary Principles.

Recognising the role of the workforce in respecting human rights, Antapaccay held a number of training sessions on human rights and the Voluntary Principles, its regulatory framework and risk management with a focus on human rights. Over 1,500 employees and 336 managerial representatives from contractor companies participated in the training.

During 2020, Antapaccay undertook an evaluation of human rights priorities and perceptions using focus groups and interviews with local communities, local and regional authorities and its workforce. The evaluation identified stakeholders' priorities for human rights and the topics of greatest interest and concern. The work has fed into the development of objectives and an annual action plan.

In 2020, Antapaccay strengthened its complaints and grievance mechanism to strengthen its accessibility and meeting of local needs, as well as improving response times.

In 2020, Antapaccay reported no complaints relating to security or human rights during the year.

South Africa

Our South African coal and ferroalloys assets, as well as Astron Energy implement the Voluntary Principles.

South African public security forces include the South African Police Service (SAPS) and the South African National Defence Force (SANDF). Glencore has little to no engagement with the SANDF and they require parliamentary approval for their deployment within South Africa.

Glencore has regular engagement with the SAPS on many levels. Establishing an MOU between Glencore and the SAPS has proven to be difficult and efforts to do so have not progress far to date. We have made significant efforts through the South African Human Rights Commission (SAHRC) to establish an understanding with public security forces on the general requirements of the mining sector.

In 2015, the SAHRC signed a MOU with the SAPS for the protection of human rights in its policing activities. In addition, the South African Police Act requires the SAPS to be Voluntary Principles compliant.

In South Africa, the Private Security Industry Regulatory Authority (PSIRA) regulates private security officers and individuals are required to renew their membership every 18 months. The PSIRA provides industry-specific training and twice a year its members undertake additional Voluntary Principles-specific training with their employees.

[Glencore Coal South Africa \(GCSA\)](#)

Glencore Coal South Africa (GCSA) manages its implementation of the Voluntary Principles through four key pillars: risk assessment, training, reporting and monitoring. In 2020, GCSA engaged professional accounting companies to conduct third-party audits on its security department implementation of the Voluntary Principles during the first half of 2021.

Every two years, GCSA's community team undertakes a human rights risk assessment (HRRRA), which include security risks. GCSA adds the identified security related risks to Glencore's coal business risk register. Current identified risks include community and workforce unrest or protest action and interactions between criminals and security employees.

The Covid-19 pandemic disrupted GCSA's usual engagement activities with the public security forces and other stakeholders, as well as postponing or moving online monthly crime-combating meetings. GCSA receives community feedback through community consultative forums and complaints registers located at all its operations. Annual community days allow communities members to engage with their local operations and raise issues, including security.

Through its community engagement activities, GCSA drives human rights awareness including information on gender-based violence (GBV), the Voluntary Principles and Glencore's approach to human rights. GCSA's Goedgevonden asset, with public security force representatives, established an initiative to address GBV. GCSA subsequently rolled out this initiative to all of its operations. Going forward, GCSA's operations will include the initiative during their annual community days.

GCSA provides annual induction training, which includes modules on the Voluntary Principles, to all employees and contractors. GCSA undertakes twice-yearly training with its private security provider on its Rules of Engagement Policy. GCSA conducts internal audits of its training and on general human rights awareness. This guides its approach and awareness programmes, which it implements both internally and externally. GCSA's engagement activities with the SAHRC enabled it to invite the SAHRC to provide high-level human rights training to all of its assets. Employees, from senior operational management to community and security teams, attended the training.

GCSA fully investigates all reported security-related incidents and escalates incidents as appropriate. GCSA holds monthly meetings with its private security providers to discuss incidents and responses and uses these meetings to share findings from other security-related incidents from within the industry. GCSA's private security force works with public security forces to combat crime within its host communities through planned operations.

In 2020, our South African coal assets received no complaints relating to security or human rights during the year.

[Glencore Alloys](#)

Glencore Alloys in South Africa has a number of chrome ore mining and smelting operations, a vanadium mine and smelter complex, carbon technology processing facilities as well as a new manganese-mining joint venture. Over 8,500 permanent and nearly 8,000 contracting employees work at these operations located across four provinces of South Africa. During 2020, economic

challenges, as well as the impact of Covid-19, resulted in the closure of the Lydenburg Smelter and the Waterfall Mine and the loss of 1,500 permanent jobs.

During 2020, Glencore Alloys expanded its stakeholder engagement activities to involve first nations, indigenous peoples and traditional authorities. This builds on its existing quarterly stakeholder engagement meetings, mine crime combatting forum meetings and meetings with the SAPS. It also actively participates in the newly established provincial task teams in collaboration with mining peers and the Minerals Council of South Africa. All of these platforms provide an opportunity to increase awareness of the Voluntary Principles.

Glencore Alloys tracks all concerns or grievances raised by local communities and during the year, it received reports of nine negligible and two minor incidents. The two minor incidents involved protests directed at its operations. There were no reports of concerns relating to the conduct of our private or public security reported during 2020.

Glencore Alloys continued its efforts to promote the implementation of the Voluntary Principles at local and national levels. Its assets' annual compulsory induction for all employees and contractors covers the Voluntary Principles extensively. Contracts with private security services providers include references to expected compliance requirements, annual assessments and audits on evaluating compliance with the Voluntary Principles.

During the year, Glencore Alloys contracted an external consultant to conduct independent external third party audits on the effective implementation of the Voluntary Principles at all of its South African operations. These will take place over the next three years.

South Africa has disproportionately higher levels of GBV compared to other countries. Glencore Alloys supports the Presidents' National Strategic Plan for GBV and undertakes awareness campaigns during stakeholder engagement meetings. Glencore Alloys is introducing support for care and protection shelters, training and education and the establishment of women-owned enterprises.

During 2020, Glencore Alloys did not receive any complaints regarding the conduct of its private security providers or on the actions of public security service providers during protests at its assets.

[Astron Energy](#)

Astron Energy is a leading supplier of petroleum products with a vast network of service stations, the owner and operator of South African's third-largest crude oil refinery in Cape Town and a lubricants manufacturing plant in Durban.

In July 2020, Astron Energy experienced a devastating incident that resulted in the loss of life for two of its employees. It has engaged regularly with national and provincial government representatives, as well local communities on the progress of the investigation into the incident.

During 2020, Astron Energy undertook regular engagements virtually with its local community forums, particularly the Community Advisory Panel, to provide information on its Covid-19 response and environmental performance.

During 2020, protests and social unrest affected Astron Energy. Despite an increasing frequency of protests, the refinery's security team's appropriate response meant there were no related injuries or recordable incidents and reflects the effectiveness of Astron Energy's policies, protocols and police response protection plans.

The senior Astron Energy leadership team engage with senior police officials on its security plans for the refinery, as a National Key Point (NKP), ahead of activating the Joint Operating Committee. As a NKP facility, the refinery has a legal requirement to have a Joint Planning Committee, which oversees its protection and involves all of the public security services. Astron Energy's expresses expectations for an appropriate and proportional response that aligns with the Voluntary Principles. This coordinated joint approach has facilitated the protection of the staff onsite, as well as the refinery's physical assets, while achieving a peaceful outcome during the 2020 protests.

Astron Energy's security providers undergo training on the Voluntary Principles at least twice per year in South Africa and annually in Botswana. Training includes sessions on use of force and interacting with community members. Its security officers are required to implement this training and human rights principles when interacting with its terminal customers. Training is a pre-requisite for employment.

Despite Covid-19, in South Africa, Voluntary Principles refresher training programme continued at all of Astron Energy's operated facilities bar one facility. Unfortunately, travel restrictions, meant training could not take place in Botswana.

Commencing in 2021, Astron Energy's private security provider will provide Voluntary Principles training based on practical demonstrations and role-play.

Astron Energy's procurement contractual selection process (RFP) for the private security provider, included screening and site visits, as well as assessing organisational capability to align with the Voluntary Principles. Adherence to the Voluntary Principles is specifically included in the contractual arrangements with private security providers and Astron Energy maps their Voluntary Principles policy against the requirements of Glencore's Voluntary Principles Guidance.

The SAPS supports Astron Energy's business activities. SAPS and Astron Energy have a MoU for their NKP facilities known as SAPS Response Plan, which holds SAPS accountable on the prevention of human rights incidents.

In 2020, Astron Energy received no complaints relating to security or human rights during the year.