

# Reporting criteria for selected KPIs **2021**



Our purpose

# Responsibly sourcing the commodities that advance **everyday life**

 [Glencore.com](https://www.glencore.com)

Living our values

Our values reflect our purpose, our priorities and the beliefs by which we conduct ourselves. They define what it means to work at Glencore, regardless of location or role. They are the heart of our culture and the way we do business.



**Safety**

We never compromise on safety. We look out for one another and stop work if it's not safe



**Responsibility**

We take responsibility for our actions. We talk and listen to others to understand what they expect from us. We work to improve our commercial, social and environmental performance



**Simplicity**

We work efficiently and focus on what's important. We avoid unnecessary complexity and look for simple, pragmatic solutions



**Integrity**

We have the courage to do what's right, even when it's hard. We do what we say and treat each other fairly and with respect



**Openness**

We're honest and straightforward when we communicate. We push ourselves to improve by sharing information and encouraging dialogue and feedback



**Entrepreneurialism**

We encourage new ideas and quickly adapt to change. We're always looking for new opportunities to create value and find better and safer ways of working

<b>Introduction</b>	
Purpose	04
Boundaries and scope	04
Data processing methodology in general	04
<b>Health and safety</b>	
Fatalities	06
Total Recordable Injury Frequency Rate (TRIFR)	06
Total Lost Time Injury Frequency Rate (LTIFR)	06
Medical Treatment Injuries (MTIs)	06
Restricted Work Injuries (RWIs)	07
Lost Time Injuries (LTIs)	07
Hours worked	07
<b>Environment</b>	
Total number of major (category 4) and catastrophic (category 5) environmental incidents	09
Total direct and indirect energy consumption	09
Total Scope 1 GHG emissions	09
Total Scope 2 GHG emissions – location-based	10
Total Scope 3 GHG emissions – from transmissions and distribution losses	10
Total Scope 3 GHG emissions – from the use of sold products (fossil fuels)	10
Total water withdrawal	11
Total water discharge	11
<b>Responsible citizenship</b>	
Total amount of payments made to governments	12
<b>Additional resources</b>	
Important notice	14
Appendix	14





# Introduction

## Purpose

The purpose of this document is to provide information about the definitions and underlying processes applied for the collection and verification of sustainability key performance indicators (KPIs).

These have been subject to external assurance<sup>1</sup> by Deloitte LLP as disclosed in the Glencore Annual Report 2021 and the Glencore Sustainability Report 2021 ('the Reports'), the Glencore ESG Data Book and online at [glencore.com/publications](https://www.glencore.com/publications).

## Boundaries and scope

The KPIs covering health & safety, environment and social ('HSEC') that have been subject to assurance by Deloitte LLP include information and data from our industrial and marketing activities where we have operational control, i.e. where Glencore directly or indirectly controls and directs the day-to-day management and operation of the entity engaging in such activity, whether by contract or otherwise. Where we have operational control, we report our data on a 100% basis, irrespective of the actual equity stake.

Interests held in joint ventures where we do not have operational control are excluded from our KPIs. Further excluded are investment and holding companies.

With the exception of any environmental spills were they to occur, we exclude environmental data from our warehouses, silos, ports and other small non-producing industrial sites, as their contribution to these indicators is so small as to be immaterial.

Our corporate and marketing offices do not report on environmental, health and safety data given the immateriality of their contribution to the relevant KPIs.

Industrial care and maintenance sites with suspended operations report on a limited indicator set, reflecting their reduced activities and workforce.

The Reports contain data for the full reporting year. Acquisitions are only included if they were integrated before 1 July in the reporting year.

Data from divestments is included until the month before disposal.

## Data processing methodology in general

Glencore's internal reporting systems capture and retain the sustainability data presented in the Reports. The metrics in the Reports reflect those used in the commodity markets, and sectors in which we operate and are primarily based on the Global Reporting Initiative (GRI), including indicators from the GRI metals and mining sector supplement.

In some instances, we have restated figures from previous years to reflect improvements in our data collection, analysis and validation systems. In case of material restatements, we provide explanations regarding the revised data in the Environmental, Social and Governance data section of our Sustainability Report. All sustainability figures stated in the Reports represent the latest available data, unless referenced otherwise in the text. Some of the totals shown may reflect the rounding up or down of subtotals.

Glencore seeks to report on every HSEC-related incident in the period when it occurs. Occasionally, our incident reporting may take place later due to an improved understanding of the incident or revisions to its classification. Where this results in a restatement<sup>2</sup> of previously reported sustainability data, we will publicly disclose the restatement and its rationale.

We may change our approach to how we report our sustainability data in future Reports without prior announcement; we may also change the reporting of specific sustainability data and its interpretation. We will provide relevant explanations in our Reports in case any such changes are material.

Unless otherwise stated in this document, all sustainability data forming the basis of our KPIs needs to be reported in the Glencore HSEC Database on a monthly (health and safety incidents, environmental incidents) or quarterly (environmental data) basis. The recording of sustainability data follows a workflow involving the initial entry of the data, the review of the entered data and its verification. The different steps of the workflow are completed by different individuals. Glencore's corporate HSEC & HR team applies additional quality control processes, beyond the assurance by our external assurance provider.

<sup>1</sup> Limited assurance under the ISAE 3000 (Revised) Standard

<sup>2</sup> Deloitte LLP has not undertaken additional work to review accuracy and completeness for restated sustainability data for previous reporting years and has not provided assurance for restated sustainability data.





# Health and safety

## Fatalities

### Definition

A fatality is a death of a worker (i.e. employee or contractor) resulting from an occupational incident or disease. Fatalities as a result of injuries and diseases are differentiated in our Glencore HSEC Database.

The approach for classifying occupational incidents is largely aligned with the ICMM's Health and Safety Performance Indicators Guidance, 2021.

### Scope

Refer to section 'Boundaries and scope'.

### Units

Number of work-related fatalities of employees and contractors.

### Method

In addition to the general data processing methodology described in section 'Data processing methodology in general', each work-related fatality needs to be investigated by a person who is independent from the affected department. The results of the investigation are presented to the Board's HSEC Committee which decides on the final classification of the fatality.

## Total Recordable Injury Frequency Rate (TRIFR)

### Definition

Total recordable injuries (TRIs) are the sum of fatalities, lost time injuries (LTIs), restricted work injuries (RWIs) and medical treatment injuries (MTIs). The metric represents all injuries that require medical treatment beyond first aid.

The TRIFR is the total number of TRIs recorded compared to the hours worked.

### Scope

Refer to section 'Boundaries and scope'.

### Units

Number of TRIs per million hours worked.

### Method

The TRIFR is calculated by the Glencore HSEC Database based on the reported number of TRIs and the hours worked.

Refer also to section 'Data processing methodology in general' regarding the overall data processing methodology applied for our KPIs.

## Total Lost Time Injury Frequency Rate (LTIFR)

### Definition

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

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 (RWIs) and fatalities.

The LTIFR is the total number of LTIs recorded compared to the hours worked.

### Scope

Refer to section 'Boundaries and scope'.

### Units

Number of LTIs per million hours worked.

### Method

The LTIFR is calculated by the Glencore HSEC Database based on the reported number of LTIs and the hours worked.

Refer also to section 'Data processing methodology in general' regarding the overall data processing methodology applied for our KPIs.

## Medical Treatment Injuries (MTIs)

### Definition

An MTI is an occupational injury not classified as an LTI or RWI, which required treatment beyond first aid.

Medical treatment is defined as occurring when an injury requires a higher degree of patient management to ensure a full recovery.

### Scope

Refer to section 'Boundaries and scope'.

### Units

Number of work-related MTIs of employees and contractors.

### Method

Refer to section 'Data processing methodology in general' regarding the overall data processing methodology applied for our KPIs.

## Restricted Work Injuries (RWIs)

### Definition

An RWI is an occupational injury which causes a worker to be physically or mentally unable to perform all, or part of, their normal duties or role (i.e. routine work functions) during any rostered shift subsequent to that on which the injury occurred.

### Scope

Refer to section 'Boundaries and scope'.

### Units

Number of work-related RWIs of employees and contractors.

### Method

Refer to section 'Data processing methodology in general' regarding the overall data processing methodology applied for our KPIs.

## Lost Time Injuries (LTIs)

### Definition

An LTI is an occupational injury that is recorded when an employee or contractor is unable to work following an incident.

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 (RWIs) and fatalities.

### Scope

Refer to section 'Boundaries and scope'.

### Units

Number of work-related RWIs of employees and contractors.

### Method

Refer to section 'Data processing methodology in general' regarding the overall data processing methodology applied for our KPIs.

## Hours worked

### Definition

Hours worked means the total number of hours worked by employees or contractors carrying out work-related activities during the recording period. Hours worked includes overtime and training but excludes annual leave, maternity leave, sick leave, public holidays and other absences.

### Scope

Refer to section 'Boundaries and scope'.

### Units

Number of hours worked by employees and contractors.

### Method

Refer to section 'Data processing methodology in general' regarding the overall data processing methodology applied for our KPIs.





# Environment



## Total number of major (category 4) and catastrophic (category 5) environmental incidents

### Definition

An environmental incident is any event that causes, or has the potential to cause, damage or loss related to hydrocarbon/chemical spills, discharges, emissions to the atmosphere including dust, waste disposal, subsidence, biodiversity/rehabilitation/land, noise, odour, blast or vibration as well as archaeological/cultural heritage.

We classify the severity of environmental incidents on a five-point scale:

- Category 1: negligible
- Category 2: minor
- Category 3: moderate
- Category 4: major
- Category 5: catastrophic.

Major environmental incidents are defined as 'Widespread, but reversible, environmental impact to ecosystems, habitat or species (2 to 10 years to remediate)' while catastrophic environmental incidents are defined as 'Widespread environmental impact to ecosystems, habitat or species (irreversible, or >10 years to remediate)'.

### Scope

Refer to section 'Boundaries and scope'.

### Units

Number of major and catastrophic environmental incidents.

### Method

Environmental incidents classified as higher than category 2 need to be investigated. If applicable, the results of the investigation of environmental category 4 and 5 incidents are presented to the Board HSEC Committee which decides on the final classification of the incident.

Refer also to section 'Data processing methodology in general' regarding the overall data processing methodology applied for our KPIs.

## Total direct and indirect energy consumption

### Definition

#### Direct energy

Primary energy used by our industrial sites including energy generated by combustion in our boilers, furnaces and vehicles. Sources include coal, coke, diesel, gasoline, biomass, biodiesel, fuel oil, jet fuel, kerosene, LPG, naphtha, natural gas, propane, and electricity generated from renewable sources and coal seam emissions or recovered on-site.

#### Indirect energy

Secondary energy used by our industrial sites, but supplied by third parties, often as electricity. This includes electricity, steam and heating/cooling.

### Scope

Refer to section 'Boundaries and scope'.

### Units

Petajoules

### Method

Energy-related data is entered by our industrial sites based on the Glencore Carbon and Energy Reporting Procedure. This requires the reporting of the activity data (i.e. quantity of consumed fuel/electricity) while the energy related to the consumed fuels is automatically calculated by the Glencore HSEC Database based on the energy contents provided by the IPCC<sup>3</sup>.

Refer also to section 'Data processing methodology in general' regarding the overall data processing methodology applied for our KPIs.

## Total Scope 1 GHG emissions

### Definition

Greenhouse gas (GHG) emissions stemming from our industrial sites (i.e. direct emissions), including reductants, emissions from combustion in our boilers, furnaces and vehicles/vessels and coal seam emissions.

### Scope

Refer to section 'Boundaries and scope'.

### Units

Million tonnes of CO<sub>2</sub>e

### Method

Scope 1-related data is entered by our industrial sites based on the Glencore Carbon and Energy Reporting Procedure. Depending on the indicator, the Scope 1 emissions are either entered as activity data (i.e. quantity of consumed fuels) and automatically calculated by the Glencore HSEC Database, or directly entered by the relevant industrial sites (e.g. coal seam emissions, GHG emissions related to processes that are not covered elsewhere).

Glencore's GHG emission reporting is based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised edition). The applied emission factors are primarily based on the IPCC<sup>3</sup> and the related Greenhouse Gas Protocol as shown in Appendix 1.

Our GHG emissions include CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O. Other GHGs are not included as they are not material to our industrial sites.

The GHG emissions are converted based on the IPCC Fifth Assessment Report, 2014 (AR5), GWP values for 100-year time horizon.

Refer also to section 'Data processing methodology in general' regarding the overall data processing methodology applied for our KPIs.

<sup>3</sup> 2006 IPCC Guidelines for National Greenhouse Gas Inventories, Volume 2, Energy, Chapter 1

## Total Scope 2 GHG emissions – location-based

### Definition

Scope 2 emissions are the GHG emissions associated with our industrial sites' consumed indirect energy (i.e. purchased electricity, steam and heating/cooling). This approach applies grid emission factors to all purchased electricity, steam and heating, regardless of contractual purchase arrangements.

### Scope

Refer to section 'Boundaries and scope'.

### Units

Million tonnes of CO<sub>2</sub>

### Method

Scope 2-related data is entered by our industrial sites based on the Glencore Carbon and Energy Reporting Procedure which requires the reporting of the relevant activity data (i.e. quantity of consumed electricity). The Scope 2 emissions are automatically calculated by our Glencore HSEC Database, applying the GHG Protocol's location-based approach. For this, the reported electricity, steam and heating data is multiplied by the applicable country-specific grid-emission factors.

The national grid-emission factors are sourced regarding most of the countries from the annual 'IEA Emission Factors' publications produced by the International Energy Agency (IEA). Regarding the following countries, regional emission factors have been applied as follows:

Region	Source
Australia	Australia National Greenhouse Account Factors (NGER)
Canada	Electricity in Canada: Summary and Intensity Tables of Canada's National Inventory submission to UNFCC
USA	eGRID datasets, United States Environmental Protection Agency (US EPA)

As the provided GHG emission factors (EFs) are usually lagging, the latest available EFs are applied for all years for which no EFs are yet available. This results in retroactive restatements of our Scope 2 location-based emissions once more current EFs are available.

Refer also to section 'Data processing methodology in general' regarding the overall data processing methodology applied for our KPIs.

## Total Scope 3 GHG emissions – from transmissions and distribution losses

### Definition

This indicator refers to the Scope 3 emissions associated with the transmission and distribution losses of the electricity, steam and heating purchased by our industrial sites.

### Scope

Refer to section 'Boundaries and scope'.

### Units

Million tonnes of CO<sub>2</sub>e

### Method

Electricity data is entered by our industrial sites based on the Glencore Carbon and Energy Reporting Procedure which requires the reporting of the relevant activity data (i.e. quantity of consumed electricity; refer also to section 'Total direct and indirect energy consumption' above). GHG emissions related to losses from the transmission and distribution of electricity are calculated by applying country-specific factors for transmission and distribution losses per kWh as presented by the IEA<sup>4</sup> by multiplying these losses by the country specific quantity of electricity purchased.

Refer also to section 'Data processing methodology in general' regarding the overall data processing methodology applied for our KPIs.

## Total Scope 3 GHG emissions – from the use of sold products (fossil fuels)

### Definition

Scope 3 emissions from the use of our sold products relate to the use of saleable fossil fuels (coal and oil) produced by our industrial sites. The volumes of saleable products are taken from Glencore's publicly available Production Reports.

Regarding coal, the emissions value includes emissions from use of both thermal and metallurgical coal produced. Regarding oil, the emissions value relates to the gross production basis of our oil-producing industrial sites, excluding emissions related to oil refinery activities.

### Scope

Refer to section 'Boundaries and scope'.

### Units

Million tonnes of CO<sub>2</sub>e

### Method

Data related to our sold products (i.e. fossil fuels) is reported by our industrial sites to our financial team for verification and consolidation.

For the calculation of the Scope 3 emissions associated with the use of our products it is assumed that the sold products are fully incinerated by our customers. Based on this assumption, the quantities of sold products are multiplied by the applicable emission

<sup>4</sup> As presented in the IEA's annual CO<sub>2</sub> Emission Factors edition.

factors provided by the IPCC<sup>5</sup> (for further information refer to the section 'Additional greenhouse gas emission information' as part of our Environmental, Social and Governance (ESG) data in the Glencore Sustainability Report).

Our GHG emissions include CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O. Other GHGs are not included as they are not material to our industrial sites.

The GHG emissions are converted based on the IPCC Fifth Assessment Report, 2014 (AR5), GWP values for 100-year time horizon.

Refer also to section 'Data processing methodology in general' regarding the overall data processing methodology applied for our KPIs.

## Total water withdrawal

### Definition

This category includes water that is withdrawn from the environment (surface water, groundwater, seawater or precipitation) or provided by third parties (this covers supplied potable water and water of lower quality, e.g. treated wastewater that can be used for production purposes). It also includes water that is shared across our industrial sites, which can partially result in double-counting. The quantity of water shared across our industrial sites can be found in Glencore's overall water balance as specified in our annual Sustainability Report.

This category excludes diverted water, which is actively managed (e.g. physically pumped, actively treated, or has material consumptive losses) by the industrial site but does not enter the operational water system used to supply the operational water demand (i.e. is not used by the industrial site in an operational task or activity).

Our total water withdrawal does not include water that is entrained in ore and raw material. This is reported separately.

### Scope

Refer to section 'Boundaries and scope'.

### Units

Million m<sup>3</sup>

### Method

Water-related data needs to be reported by our industrial sites in our Glencore HSEC Database, in accordance with the Glencore Environment Standard and Water Reporting Guideline, both of which are aligned with ICMM Guidance (e.g. ICMM's 'A practical guide to consistent water reporting', 2017).

Refer also to section 'Data processing methodology in general' regarding the overall data processing methodology applied for our KPIs.

## Total water discharge

### Definition

Total water discharge is defined as water that is released back to the water environment (surface water, groundwater or seawater) or to a third party. This includes water that is shared across our industrial sites, which can partially result in double-counting. The quantity of water shared across our industrial sites can be found in Glencore's overall water balance as specified in our annual Sustainability Report.

This category excludes diverted water that is actively managed (e.g. physically pumped, actively treated or has material consumptive losses) by the industrial site but does not enter the operational water system used to supply the operational water demand (i.e. is not used by the industrial site in an operational task or activity).

Our total water discharge does not include water that is entrained in waste (e.g. tailings) or products. This is reported separately.

### Scope

Refer to section 'Boundaries and scope'.

### Units

Million m<sup>3</sup>

### Method

Water-related data needs to be reported by our industrial sites in our Glencore HSEC Database, in accordance with the Glencore Environment Standard and Water Reporting Guideline, both of which are aligned with ICMM Guidance (e.g. ICMM's 'A practical guide to consistent water reporting', 2017).

Refer also to section 'Data processing methodology in general' regarding the overall data processing methodology applied for our KPIs.

<sup>5</sup> 2006 IPCC Guidelines for National Greenhouse Gas Inventories, Volume 2, Energy, Chapter 1.





# Responsible citizenship

## Total amount of payments made to governments

### Definition

All relevant tax, royalty and levy payments made to the governments of the countries in which we operate based on the boundaries and scope defined in this document, as required by local and national regulation. This includes local, national, sales and employment taxes, government royalties and licence and permitting fees, reported on a cash-paid basis during the reporting period.

### Scope

Refer to section 'Boundaries and scope'.

### Units

Million USD

### Method

Payments to governments data is reported periodically into Glencore's tax reporting system Global Tax Center (GTC) by the industrial sites and corporate and marketing offices within the boundaries and scope defined in this document, in each case by those responsible for tax reporting. Tax types are defined and reporting principles outlined along with instructions to GTC in distributed guidance documents. Glencore's Corporate Tax Reporting team applies additional quality control processes against this guidance, beyond the assurance given by our external assurance provider.



# Additional information

## Appendix 1: Greenhouse gas emission factors - Scope 1

## Important notice

Region	Type	Greenhouse Gas	Value	Unit	Effective Date	Description
Global	Natural Gas	Carbon Dioxide	56,100	kg GHG/TJ	01/01/2014	GHG Protocol Cross-Sector Tools - Stationary Combustion - (April 2014)
Global	Natural Gas	Methane	5.00000	kg GHG/TJ	01/01/2014	
Global	Natural Gas	Nitrous Oxide	0.10000	kg GHG/TJ	01/01/2014	
Global	Residual fuel oil	Carbon Dioxide	3,127	kg GHG/t (metric)	01/01/2014	
Global	Residual fuel oil	Methane	0.40400	kg GHG/t (metric)	01/01/2014	
Global	Residual fuel oil	Nitrous Oxide	0.02424	kg GHG/t (metric)	01/01/2014	
Global	Anthracite	Carbon Dioxide	2,625	kg GHG/t (metric)	01/01/2014	
Global	Anthracite	Methane	0.26700	kg GHG/t (metric)	01/01/2014	
Global	Anthracite	Nitrous Oxide	0.04005	kg GHG/t (metric)	01/01/2014	
Global	Coke oven coke	Carbon Dioxide	3,017	kg GHG/t (metric)	01/01/2014	
Global	Coke oven coke	Methane	0.28200	kg GHG/t (metric)	01/01/2014	
Global	Coke oven coke	Nitrous Oxide	0.04230	kg GHG/t (metric)	01/01/2014	
Global	Other kerosene	Carbon Dioxide	2.51938	kg GHG/L	01/01/2014	
Global	Other kerosene	Methane	0.00035	kg GHG/L	01/01/2014	
Global	Other kerosene	Nitrous Oxide	0.00002	kg GHG/L	01/01/2014	
Global	Gas/Diesel oil	Carbon Dioxide	2.67649	kg GHG/L	01/01/2014	
Global	Gas/Diesel oil	Methane	0.00036	kg GHG/L	01/01/2014	
Global	Gas/Diesel oil	Nitrous Oxide	0.00002	kg GHG/L	01/01/2014	
Global	Naphtha	Carbon Dioxide	2.51162	kg GHG/L	01/01/2014	
Global	Naphtha	Methane	0.00034	kg GHG/L	01/01/2014	
Global	Naphtha	Nitrous Oxide	0.00002	kg GHG/L	01/01/2014	
Global	Liquified Petroleum Gases	Carbon Dioxide	1.61170	kg GHG/L	01/01/2014	
Global	Liquified Petroleum Gases	Methane	0.00013	kg GHG/L	01/01/2014	
Global	Liquified Petroleum Gases	Nitrous Oxide	0.00000	kg GHG/L	01/01/2014	
Global	Gasoline/Petrol	Carbon Dioxide	8.59873	kg GHG/gal (US)	01/01/2014	GHG Protocol Cross-Sector Tools - Transport Fuel Use - (April 2014)
Global	On-Road Diesel Fuel	Carbon Dioxide	10.13100	kg GHG/gal (US)	01/01/2014	
Global	Heavy fuel oil	Carbon Dioxide	11.12500	kg GHG/gal (US)	01/01/2014	
Global	Methane combusted	Carbon Dioxide	2.81016	t.GHG (metric)/t (metric)	01/01/2006	Australian National Greenhouse Accounts (NGA) factors 2006 - Table 2.3: (Coal mine waste gas that is captured for combustion)
Global	Limestone flux reductant	CO2e	0.44000	kg GHG/kg	01/01/2006	GHG Protocol sector-specific - Iron and steel 2008

Refer to the section 'Important notice concerning this report including forward looking statements' on page 259 in our Annual Report 2021.



**Glencore plc**  
Baarermattstrasse 3  
CH-6340 Baar  
Switzerland  
[info@glencore.com](mailto:info@glencore.com)