Company registration number

674417

Glencore Capital Finance Designated Activity Company

REPORT AND
FINANCIAL STATEMENTS
2022

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Directors and other information

Directors

Ann Nash (UK)
Carlos Navalpotro (Spain)
Ian James Wall (UK)
Timothy John Scott (UK)
Warren Michael Blount (UK)

Company Secretary

Nicholas James Reid

Registered office

Unit 3100, Lake Drive
Citywest Business Campus
Dublin,
D24 AK82,
Ireland

Registered Administrator

Computershare Governance Services
Unit 3100, Lake Drive
Citywest Business Campus
Dublin,
D24 AK82,
Ireland

Auditor

Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm,
Deloitte & Touche House,
Earlsfort Terrace,
Dublin 2

Company registration number

674417

Directors' report

The Directors present their audited report and financial statements of Glencore Capital Finance DAC (the "Company") for the financial year ending 31 December 2022.

Business review, principal activity and future developments

The Company was incorporated as a designated activity company in Ireland on 22 July 2020 and is tax resident in the United Kingdom. The Company is a wholly owned subsidiary of Glencore Finance (Europe) Ltd and is ultimately wholly owned by Glencore plc.

The Company's primary objective is to raise funding in capital markets and to lend the proceeds on to other group entities (refer to Note 11 of the financial statements).

The Directors do not envisage any change in the Company's activities in the foreseeable future.

The Company earned a profit of USD 1 500k (2021: USD 210k profit) after accounting for interest income from group entity against interest due on the outstanding bond liability. The net current assets amounted to USD 5 951k (2021: USD 2 758k). The non-current asset in the form of receivable from a group entity amounted to USD 2 577 million (2021: USD 2 726 million) matching the non current liability of USD 2 582 million (2021: USD 2 728 million) due to outstanding bond liability.

Principal Risks and Uncertainties

As required by section 327(1) of the Irish Companies Act 2014, the Directors consider the Company's principal risks. These principal risks are set out below.

The financial performance of the Company is affected by borrower credit quality

The Company onlends the proceeds raised from bond issuances under the EMTN program onwards to Glencore Group's principal marketing entity which is also one of co-guarantors of the bond liability of the Company. Furthermore as the bond liability are also co-guaranteed by the ultimate parent entity Glencore plc, the risk related to recoverability of the loans due from the principal Group marketing entity is limited.

Changes in interest and foreign currency rates affect the Company's business

The most significant market risks the Company faces are interest rate and foreign currency risks. As the Company onlends the proceeds from bond issuances in the same currency and on back to back interest rates with a margin, the Directors do not consider the risk exposure to be significant.

Financial risk management objectives and policies

The Company uses financial instruments throughout its business: issuances of bond instruments, interest-bearing intercompany loans and, cash and cash equivalents are used in the Company's operations. The main risks attributable to the Company's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Directors review and agree policies for the prudent management of each of these risks as described below:

Interest rate risk

The Company's exposure to market risk for changes in interest rates stems predominantly from its long term debt obligations. As the Company lends to another Group entity on similar interest rates with a margin with same tenor and duration, the interest rate risk is mitigated.

Foreign currency risk

The Company lends the issuances from bond to another Group entity in the same currency as the bond liability. As there is a matching of debt with receivables in the same currency, the risk of foreign currency is managed and mitigated.

Credit risk

The Company lends to the principal marketing entity of the Glencore Group and as such the credit risk is limited to the extent of the Glencore Group's credit risk. Furthermore, the debt liability of the Company are co-guaranteed by the principal marketing Group entity and the ultimate parent Group entity Glencore plc. As such the credit risk is limited to the ECL provision which has been retained in the books of account.

Liquidity risk

The Company is exposed to liquidity risk which arises primarily from the maturing of long-term debt obligations. The coupon payment liability and the maturing liability of the Company is funded by the Group's principal marketing entity as the terms of the loan to the Group marketing entity is on a back to back terms both for coupon and maturity.

Results for the financial year and state of affairs at 31 December 2022

The statement of comprehensive income for the financial year ended 31 December 2022 and the balance sheet at that date are set out on pages 16 and 17. The profit on ordinary activities for the year before taxation amounted to USD 2 456k (2021: profit of USD 210k). After a taxation charge of USD 956k (2021: nil), the profit for the financial year amounted to 1 500k (2021: profit of 210k).

Dividends

No amount of interim dividend was paid in the year and the Directors do not recommend any amount of final dividend (2021: nil).

Going concern

The Company is expected to continue its activities as a financing entity for the Glencore Group entities and is able to generate sufficient interest income from receivables from Group entities to meet its liabilities as they fall due.

Glencore plc together with other Group entities has unconditionally and irrevocably guaranteed the Company's external bond liabilities. Based on the above, the Directors believe they have a reasonable basis to conclude that the Company will be able to meet its liabilities as they fall due for at least 12 months from the date of approval of this report. Accordingly, it is appropriate for the Company to adopt the going concern basis in preparing these financial statements.

Key performance indicator

As noted above, the Company lends the proceeds from bond issuances to other group entities and therefore has interest income from such intercompany receivables matching the interest expenses due on the outstanding bond liability.

Principal risks and uncertainties

The Board of Directors is responsible for approving risk management principles and policies and ensuring that the Company's management maintains an effective system of internal controls. They are responsible for the management of risk within the framework of risk management principles and policies approved by the Board.

The Company manages its foreign exchange and interest rate risks by matching assets and liabilities. The terms of the intercompany loans match the bond liability in terms of currency, interest rate and settlement.

Directors

The Directors and Secretary who hold office as 31 December 2022 are shown on page 3. The members of the Board of Directors and the Secretary held no interest in the ordinary shares of the Company at any time in the financial year (2021: nil).

Events after the reporting year

No material events after the reporting year have occurred until the date these audited financial statements were authorised for issue.

Political donations

There have been no political donations during the financial year ending 31 December 2022 (2021: nil).

Accounting Records

The measures taken by the Directors to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014, with regards to the Company's obligation to keep adequate accounting records is met by the use of appropriate system of record and internal control processes and employment of competent resources, which are fully accessible in Ireland.

Audit Committee

As stated above, the primary objective of the Company is to raise funding in the capital markets and to lend the proceeds on to other group entities. Glencore plc together with other group entities has unconditionally and irrevocably guaranteed the Company's external bond liabilities. Given that the process of operational and risk management of the Company is managed at a group level, the Board of Directors have concluded that there is currently no need for the Company to have a separate audit committee in order for the board to perform effective monitoring and oversight of the internal controls and risk management processes of the Company in relation to the financial reporting process. Accordingly, the Company has availed itself of the exemption under Chapter 16, Section 1551 paragraph 11 c of the Companies Act 2014.

Auditor

The auditor, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, appointed on 22 July 2020, continue in office in accordance with Section 383(2) of the Companies Act 2014.

Statement on relevant audit information

The Directors have each confirmed that:

- As far as the Director is aware, there is no relevant audit information that the auditor is unaware; and
- the Director has taken all the steps that the Director ought to have taken in that capacity in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of such information.

Directors' Compliance Statement

It is the policy of the Company to comply with its relevant obligations (as defined in the Companies Act 2014). In compliance with section 225(3)(a) of the Companies Act 2014, the Directors have drawn up a compliance policy statement. However, in light of the comprehensive nature of the Glencore Group's existing internal control environment, which includes the existence of Group Internal Audit and Group Regulatory and Compliance functions that report to the Audit Committee of Glencore plc on all relevant control issues across the Glencore Group entities, the Company has not specifically complied with the requirements of Sections 225(3)(b) and (c).

As required by Section 225(2) of the Companies Act 2014, the Directors acknowledge that they are responsible for the Company's compliance with the relevant obligations. In discharging their responsibilities under Section 225, the Directors relied on the advice of persons employed by the Glencore Group, who they believe have the requisite knowledge and experience to advise the Company on compliance with its relevant obligations.

Corporate Governance Review

As previously mentioned in the Directors' Compliance Statement above, the Company relies on the comprehensive nature of the Glencore Group's existing internal control environment, which includes the existence of Group Internal Audit and Group Regulatory and Compliance functions that report to the Audit Committee of Glencore plc on all relevant control issues across the Glencore Group. Please refer to Glencore Group's Annual report published on www.glencore.com.

Directors' responsibilities statement

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with the Companies Act 2014. Irish company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with FRS 101 Reduced Disclosure Framework issued by the Financial Reporting Council ("relevant financial reporting framework"). Under Company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies for the financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Company keeps adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and income or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and the listing rules of the Luxembourg Stock Exchange and enable the financial statements to be audited.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Directors and signed on behalf of the Board of Directors

Director	**Director**
12 May 2023	12 May 2023

Deloitte.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLENCORE CAPITAL FINANCE DAC

Report on the audit of the financial statements

Opinion on the financial statements of Glencore Capital Finance DAC (the 'Company')

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2022 and of the profit for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Equity; and
- the related notes 1 to 14, including a summary of significant accounting policies as set out in note 2.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 101 "Reduced Disclosure Framework" issued by the Financial Reporting Council ("the relevant financial reporting framework").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "*Auditor's responsibilities for the audit of the financial statements*" section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key audit matter	The key audit matter that we identified in the current year was: • *Carrying value of Loans to related party* There has been no change to our key audit matter from prior year.

Materiality	The materiality that we used in the current year was $51,000,000 which was determined on the basis of 2% of Borrowings.
Scoping	Our audit is a risk based approach taking into account the structure of the Company, the accounting processes and controls in place and the industry in which the Company operates.
Significant changes in our approach	There have been no significant changes in our approach from the prior year.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- As part of our risk assessment procedures, we obtained an understanding of the relevant controls in place regarding going concern.
- Challenged the reasonableness of the key assumptions applied by the Directors in their assessment.
- Held discussions with management on the Directors' going concern assessment, the future plans for the entity and the feasibility of those plans.
- Reviewed all board meeting minutes during the period up to the date of approval of the financial statements, for evidence of any discussions and/or decisions that could impact the entity's ability to continue as a going concern.
- Assessed the adequacy of the relevant going concern disclosures made in the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current financial year and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Carrying Value of loans to related party	
Key audit matter description	As at 31 December 2022 the loans to related party of the Company of \$2,605,168,000 make up approximately 99.9% of the Company's total assets of \$2,605,170,000. The carrying value of loans to related party adjusted for any provision for impairment is considered a key audit matter as the determination of an appropriate impairment charge requires management judgment over key assumptions and relies on available data. There is a potential risk that the loans and receivables may be impaired and the provision for impairment may not represent an appropriate estimate of the losses incurred. This could have a material impact on the financial statements. Refer also to note 9 in the financial statements.
How the scope of our audit responded to the key audit matter	• We obtained an understanding and assessed the design and implementation of the key controls that have been implemented over the valuation process for loans receivable. • We challenged whether the valuation policy adopted for the loans and receivables is in line with IFRS 9, and agreed the carrying value of loans receivable recognised by management to loan agreements and assessed any indication of impairment. We performed confirmation procedures with the appropriate counterparty to obtain relevant and reliable audit evidence of the existence and value of all loans held with the Company. • We reviewed the financial statements of the related party for the year ended 31 December 2022 to determine if there are any indications of impairment not already identified by management. • We reviewed the calculation of the expected credit losses prepared by Management and assessed the credit quality of the group and counterparty. • We reviewed the letter of support provided to the Company by Glencore plc. Based on the evidence obtained, we found that the carrying value used by management are considered to be reasonable.

Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Materiality	$51,000,000 (2021: $54,000,000).
Basis for determining materiality	2% of Borrowings.
Rationale for the benchmark applied	We have considered Borrowings to be the critical component for determining materiality because the main objective of the Company is to provide investors with a long term risk adjusted return. We have considered quantitative and qualitative factors such as understanding the Company and its environment, complexity of the Company and the reliability of control environment.

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality was set at 70% of materiality for the 2023 audit (2022: 70%). In determining performance materiality, we considered the following factors:

- our understanding of the entity and the industry in which it operates;
- the quality of the control environment and whether we were able to rely on controls;
- assessment of risks of material misstatement, including fraud risks; and
- the nature, volume and size of misstatements (if any) identified in the current and previous audit.

We agreed with the Directors that we would report to the Committee all audit differences in excess of 5% of materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Directors on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our audit is a risk based approach taking into account the structure of the Company, the accounting processes and controls in place and the industry in which the Company operates.

We have conducted our audit based on the books and records maintained by the Company. We focused our audit scope, and the extent of our testing, based on our assessment of the risks of material misstatement and of the materiality determined. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

Other information

The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor’s report thereon. The directors are responsible for the other information contained within the Report and Financial Statements

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at:

https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/

This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Deloitte.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management and the Directors about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in revenue recognition with respect to finance income from loans to related party. In common with all audits under ISAs (Ireland), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Irish Companies Act, the listing rules of the Luxembourg Stock Exchange.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty.

Audit response to risks identified

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

In addition to the above, Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning any actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance;

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements and the directors' report has been prepared in accordance with the Companies Act 2014.

Corporate Governance Statement required by the Companies Act 2014

We report, in relation to information given in the Corporate Governance Statement on page 7 that:

- In our opinion, based on the work undertaken during the course of the audit, the information given in the Corporate Governance Statement pursuant to subsection 2(c) of section 1373 Companies Act 2014 is consistent with the Company's statutory financial statements in respect of the financial year concerned and such information has been prepared in accordance with the Companies Act 2014.
- Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in this information.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the the directors' report.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Other matters which we are required to address

Following the recommendation of the Board, we were appointed on 22 July 2020 to audit the financial statements for the financial period ended 31 December 2020 and subsequent financial periods. The period of total uninterrupted engagement of the firm is 3 years, covering the financial years ending 31 December 2020, 31 December 2021 and 31 December 2022.

The non-audit services prohibited by IAASA's Ethical Standard were not provided and we remained independent of the Company in conducting the audit.

Our audit opinion is consistent with the additional report to the Directors we are required to provide in accordance with ISA (Ireland) 260.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

John McCarroll
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, Earlsfort Terrace, Dublin 2

12 May 2023

Financial statements

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

USD '000

	Notes	2022	2021
Operating income/(expenses)	4	5 216	(199)
Operating income/(loss)		**5 216**	**(199)**
Finance income	6	27 760	27 421
Finance expenses	7	(28 118)	(27 012)
Expected credit loss		(2 402)	-
Profit before taxation		**2 456**	**210**
Tax	8	(956)	-
Profit for the financial year attributable to owners of the Company		**1 500**	**210**

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

USD ‘000

	Notes	2022	2021
Non - current assets			
Loan to related party	9	2 577 256	2 725 598
Total non - current assets		**2 577 256**	**2 725 598**
Current assets			
Loans to related parties	9	27 912	26 010
Cash and bank balances		2	3
Total current assets		**27 914**	**26 013**
Total assets		**2 605 170**	**2 751 611**
Current liabilities			
Other creditors	10	21 963	23 255
Total current liabilities		**21 963**	**23 255**
Net current assets		**5 951**	**2 758**
Total assets less current liabilities		**2 583 207**	**2 728 356**
Non - current liabilities			
Borrowings	11	2 581 554	2 728 203
Total non - current liabilities		**2 581 544**	**2 728 203**
Total liabilities		**2 603 517**	**2 751 458**
Total net assets		**1 653**	**153**
Equity			
Share capital	12	-	-
Retained earnings		1 653	153
Total shareholders' equity		**1 653**	**153**

These financial statements were approved by the Board of Directors on 12 May 2023.

Signed on behalf of the Board of Directors

Director
12 May 2023

Director
12 May 2023

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

USD ‘000

	Share Capital*	Retained Earnings/(accumulated deficit)	Total
As at 31 December 2020	-	**(57)**	**(57)**
Profit on ordinary activities after taxation	-	**210**	**210**
As at 31 December 2021	-	**153**	**153**
Profit on ordinary activities after taxation	-	**1 500**	**1 500**
As at 31 December 2022	-	**1 653**	**1 653**

* Share capital less than 1,000 USD

Notes to the financial statements

1. GENERAL INFORMATION

Glencore Capital Finance Designated Activity Company is registered in Ireland with registered number 674417 and registered office at Unit 3100, Lake Drive, Citywest Business Campus, Dublin, D24 AK82, Ireland. The Company is tax resident in the United Kingdom. The Company is a wholly owned subsidiary of Glencore Finance (Europe) Limited and is ultimately wholly owned by Glencore plc.

The Company's functional currency is the US Dollar (USD) as this is assessed to be the principal currency of economic environment in which it operates.

The group accounts of Glencore plc are available to the public and can be obtained as set out in note 14 as is the registered office address of the parent company preparing consolidated accounts.

2. ACCOUNTING POLICIES

Basis of accounting
These financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

In accordance with FRS 101 the Company has:

- applied the same accounting policies throughout the year presented; and
- applied certain optional exemptions and mandatory exceptions as applicable for FRS 101.

Exemptions
As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, fair values, capital management, presentation of a cash flow statement, standards not yet effective, impairment of assets and related party transactions. Where relevant, equivalent disclosures have been given in the consolidated accounts of Glencore plc.

These financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

The Company has adopted the following principal accounting policies:

Going concern
The Company is expected to continue its activities as a financing entity in the future. Glencore plc together with other Group entities has unconditionally and irrevocably guaranteed the Company's external bond liabilities. Based on the above, the Directors believe they have a reasonable basis to conclude that the Company will be able to meet its liabilities as they fall due for at least 12 months from the date of approval of this report. Accordingly, it is appropriate for the Company to adopt the going concern basis in preparing these financial statements.

Revenue recognition
Finance income
Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Foreign currency transactions

Transactions in foreign currencies are converted into the functional currency using the exchange rate prevailing at the transaction date. Monetary assets and liabilities outstanding at financial year end are converted at financial year end closing rates. The resulting exchange differences are recorded in the statement of comprehensive income. Non-monetary assets and liabilities are converted at the historical foreign exchange rate at the time of the transaction.

Cash and cash equivalents

Cash and cash equivalents comprise cash held at bank, cash in hand and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets or issue of financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of comprehensive income.

Financial assets

Financial assets are classified as either financial assets at amortised cost, at fair value through other comprehensive income (FVTOCI) or at fair value through profit or loss (FVTPL) depending upon the business model for managing the financial assets and the nature of the contractual cash flow characteristics of the financial asset.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounted future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments.

Loans and receivables

Loans and receivables (including due from related parties and other financial assets) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

Impairment of financial assets

A loss allowance for expected credit losses is determined for all financial assets, other than those at FVTPL, at the end of each reporting period. The expected credit loss recognised represents a probability-weighted estimate of credit losses over the expected life of the financial instrument.

For financial assets at amortised cost, the entity recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition, which is determined by:

Financial instruments (continued)

- A review of overdue amounts;
- Comparing the risk of default at the reporting date and at the date of initial recognition; and
- An assessment of relevant historical and forward-looking quantitative and qualitative information.

For those balances that are beyond 30 days overdue it is presumed to be an indicator of a significant increase in credit risk.

If the credit risk on the financial instrument has not increased significantly since initial recognition, the entity measures the loss allowance for that financial instrument at an amount equal to the 12-months expected credit loss, which comprises the expected lifetime loss from the instrument were a default to occur within 12 months of the reporting date.

The entity considers an event of default has materialised and the financial asset is credit impaired when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay the entity without taking into account any collateral held by the entity or if the financial asset is more than 90 days past due unless the entity has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. The entity writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through statement of comprehensive income to the extent that the carrying amount at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

De-recognition of financial assets
The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of comprehensive income. On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised is recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in statement of comprehensive income.

2. ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities and finance expenses

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Taxation

The tax currently payable is based on taxable profit for the financial year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other financial periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of expenses and income during the reporting period. At 31 December 2022 there were no critical accounting estimates or judgements made in the application of the Company's accounting policies.

4. OPERATING EXPENSES

Operating expenses mainly include various professional and consulting fees along with the audit fee.

Auditor's remuneration

All work carried out by the statutory audit firm in respect of the financial year is set out below. No other fees or expenses were charged by the auditor for the financial year ended 31 December 2022.

USD '000

	2022	2021
Statutory audit of Company	40	40
Other assurance services	-	-
Tax advisory services	-	-
Other non-audit services	-	-
Total	**40**	**40**

Employees

The average monthly number of employees was nil (2021: nil).

5. DIRECTORS' REMUNERATION

None of the Directors are entitled to any fees or remuneration for their services as a director of the Company during the financial year either from the Company or any other entity or person within the Glencore Group.

6. FINANCE INCOME

USD '000

	2022	2021
Interest income - related party	28 157	27 519
Foreign exchange	(397)	(98)
Total	**27 760**	**27 421**

7. FINANCE EXPENSES

USD '000

	2022	2021
Finance expenses - related parties	(2 901)	(736)
Finance expenses - capital market notes	(25 217)	(26 276)
Total	**(28 118)**	**(27 012)**

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

ANALYSIS OF TAX CHARGE ON ORDINARY ACTIVITIES

Legislation was introduced in the Finance Bill 2021 and enacted by the statement of financial position date, to increase the main rate of corporation tax to 25%, from 1 April 2023. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the temporary differences to which they relate unwind based on tax rates (and tax laws) that have been enacted or substantively enacted by the statement of financial position date.

USD ‘000

	2022	2021
United Kingdom corporation tax at 19% (2021: 19%) based on the profit for the financial year	(956)	-
Foreign withholding tax paid	-	-
Tax charge for the financial year	**(956)**	-

FACTORS AFFECTING TAX CHARGE FOR THE CURRENT FINANCIAL YEAR

The tax assessed for the financial year is USD 956k (2021: nil) compared to that resulting from applying the standard rate of corporation tax in the UK of 19% (2021: 19%).

TAX RATE RECONCILIATION

USD ‘000

	2022	2021
Profit on ordinary activities before taxation	**2 456**	**210**
Tax at 19% thereon (2021: 19%)	**(500)**	**(40)**
Effects of:		
Group relief surrendered for nil consideration	-	40
Expected credit loss	(456)	-
Tax charge for the financial year	**(956)**	**-**

9. LOANS TO RELATED PARTIES

USD ‘000

	2022	2021
Non current loans to related party*	2 577 256	2 725 598
Current loans to related parties	27 912	26 010

*the terms of the loan to the related party match the bonds' tenure and coupon interests with a minimal margin.

ECL provision on the related parties' dues for the year is USD 2 402k (2021: nil).

All related parties are wholly owned Glencore plc affiliates.

10. OTHER CREDITORS

USD '000

	2022	2021
Amounts owed to related party	-	989
Capital market notes interest accruals	21 016	22 266
Taxes - income and VAT	947	-
Total	**21 963**	**23 255**

All amounts due for repayment within one year.

The related party is a wholly owned Glencore plc affiliate.

11. BORROWINGS

Capital market notes

USD Million	Maturity	**2022**	**2021**
Euro 950 million 1.125% coupon bonds	Mar-28	1 015	1 080
Euro 500 million 1.250% coupon bonds	Mar-33	525	559
Euro 600 million 0.750% coupon bonds	Mar-29	636	677
Eurobonds		**2 176**	**2 316**
CHF 225 million 1.000% coupon bonds	Mar-27	244	248
CHF 150 million 0.500% coupon bonds	Sep-28	162	164
Swiss Franc bonds		**406**	**412**
Total non-current bonds		**2 582**	**2 728**
Amounts falling due within 5 years		**244**	**-**
Amounts falling due after more than 5 years		**2 338**	**2 728**

12.SHARE CAPITAL

USD '000

	2022	2021
Share capital (issued, called up and fully paid)*		
1 ordinary share of EUR 1 nominal	-	-
Share premium	-	-

* Share capital less than 1,000 USD

13. SUBSEQUENT EVENTS

There are no significant subsequent events to report.

14. ULTIMATE PARENT COMPANY

The ultimate parent and controlling company is Glencore plc, a company incorporated in Jersey with its registered office at 13 Castle Street, St Helier, JE1 1ES, Jersey. This is the largest and smallest company for which consolidated financial statements are prepared which includes the Company.

Copies of the consolidated financial statements of Glencore plc may be obtained from the registered office or from www.glencore.com.