




**Modern Slavery
statement 2017**

Introduction



**We are conscious
of the role we
can play reducing
the number of
individuals being
exploited.**

To demonstrate our commitment to preventing the occurrence of Modern Slavery and human trafficking in our operations and supply chains, Glencore plc (“Glencore”) is publishing this voluntary Modern Slavery statement. Modern Slavery (slavery, servitude, forced labour and human trafficking) is a global concern with long-lasting impacts on affected individuals and communities.

We produce and market resources that play an essential role in modern life. There is an increasing focus by consumers on the supply chain of the products they consume. In turn, our customers are seeking increasing reassurance on sustainability in the production of the raw materials they buy.

As a global company with a presence in over 50 countries, we are conscious of the role we can play through increasing transparency in our supply chain to support the goal of reducing the exploitation of individuals at the hands of others. We are equally aware of the potential operational disruption that our business could face from the identification of Modern Slavery within our supply chains.

While our geographic and product diversity provides challenges in ensuring the absence of Modern Slavery within our supply chains, we take a zero tolerance approach towards Modern Slavery in any form.

This annual statement sets out our approach, the steps we have taken and are taking and our commitment to prevent of Modern Slavery in our organisation and supply chain.

Our business

Glencore is one of the world's largest natural resource companies. We are present at multiple stages of the commodity supply chain and uniquely diversified by geography, product and activity, maximising the value we create for our business and our diverse stakeholders.

We have around 150 mining and metallurgical sites, oil production assets and agricultural facilities in over 50 countries. We recognise that our business activities make a significant contribution to the national and local economies in which we operate. We believe that our presence can deliver long-term sustainable benefits to our host countries.



Respect for human rights

Key policies relating to human rights:

- Statement of Values
- Code of Conduct
- Group Human Rights Policy
- Global Anti-Corruption Policy

Our policies and operational processes embed our commitment to respect for human rights. We are signatories to the United Nations Global Compact, a set of principles covering human rights, labour, environment and anti-corruption and we work in accordance with relevant international frameworks, including the Core Conventions of the International Labour Organization (ILO).

Our policies and operational processes align with the UN Guiding Principles (UNGPs) and with the Sustainable Development Framework of the International Council on Mining & Metals. We recognise the importance of multi-stakeholder dialogue to learning and sharing of best practices, and are a member of a number of international forums that enable dialogue on key human rights challenges, including Modern Slavery.

We do not tolerate any form of workplace discrimination, harassment or physical assault, or any form of child, forced, or compulsory labour. We seek to reflect the diversity of the communities in which we operate in our workforce. We respect the rights of our employees and contractors, including freedom of association and collective bargaining. Throughout our operations, we seek to avoid complicity in human rights abuses, and to uphold relevant international standards.

At the start of their employment, our employees receive the Glencore Code of Conduct, which includes our approach to respecting and upholding human rights throughout our operations. In the event that an employee is aware of a situation that breaches our Code of Conduct, they can raise their concerns via our Raising Concerns programme.

Our e-learning training on our Code of Conduct targets employees with regular access to a work computer. For those employees who do not have regular access to a work computer, we provide training in other ways including pre-shift general training and toolbox talks. In addition, for relevant employees, our compliance teams conduct face-to-face training on our compliance policies and procedures and to raise awareness about compliance risks related to their functions.

In addition, those employees that have a responsibility to ensure the implementation of human rights, such as those in the security functions at some of our operations, are required to undergo further training aligned with international human rights standards.

We operate grievance mechanisms at all our operations for our stakeholders.

Raising concerns programme

If one of our people encounters a situation that appears to breach our policy framework, including those on human rights and Modern Slavery, they must raise this promptly with his or her immediate supervisor or manager. Alternatively, the individual may raise the concern with another appropriate manager, compliance officer or coordinator, or a member of our Business Ethics Committee.

Our Raising Concerns programme provides mechanisms, including telephone and online platforms, which can be accessed if the concern remains unresolved. The different mechanisms reflect local conditions to ensure ease of use, such as internet availability and languages spoken, but also provide for raising concerns on an anonymous basis. We publicise the local mechanisms through dedicated training and visual material, such as posters, available widely throughout work sites.

Nobody working for Glencore suffers demotion, penalty or any other disciplinary action for raising a concern in good faith.

Grievances mechanisms: complaints and grievances on human rights impacts

We consider access to remedy to be a core aspect of our management of human rights. Our Group Human Rights Policy requires all of our assets to operate effective grievance and/or complaints mechanisms that provide an accessible channel for directly affected stakeholders to communicate their human rights concerns. These platforms enable our operations to identify, acknowledge and address genuine operation-related grievances and complaints in a timely and effective manner.

To ensure the alignment of our approach to the management of grievances with the UNGPs, we developed a grievance mechanism guideline, which draws on external expertise, to establish key principles for consideration in the design and review of grievance mechanisms. We distributed the grievance mechanism guideline to all of our assets in 2016.

Implementation of the guideline was evaluated via operational self-assessments in 2017.

Our operations are required to report and appropriately investigate the grievances and complaints received. In 2017, complaints received through our grievance mechanisms related to our operational impacts such as dust, noise, safety breaches and access to property.

Board oversight

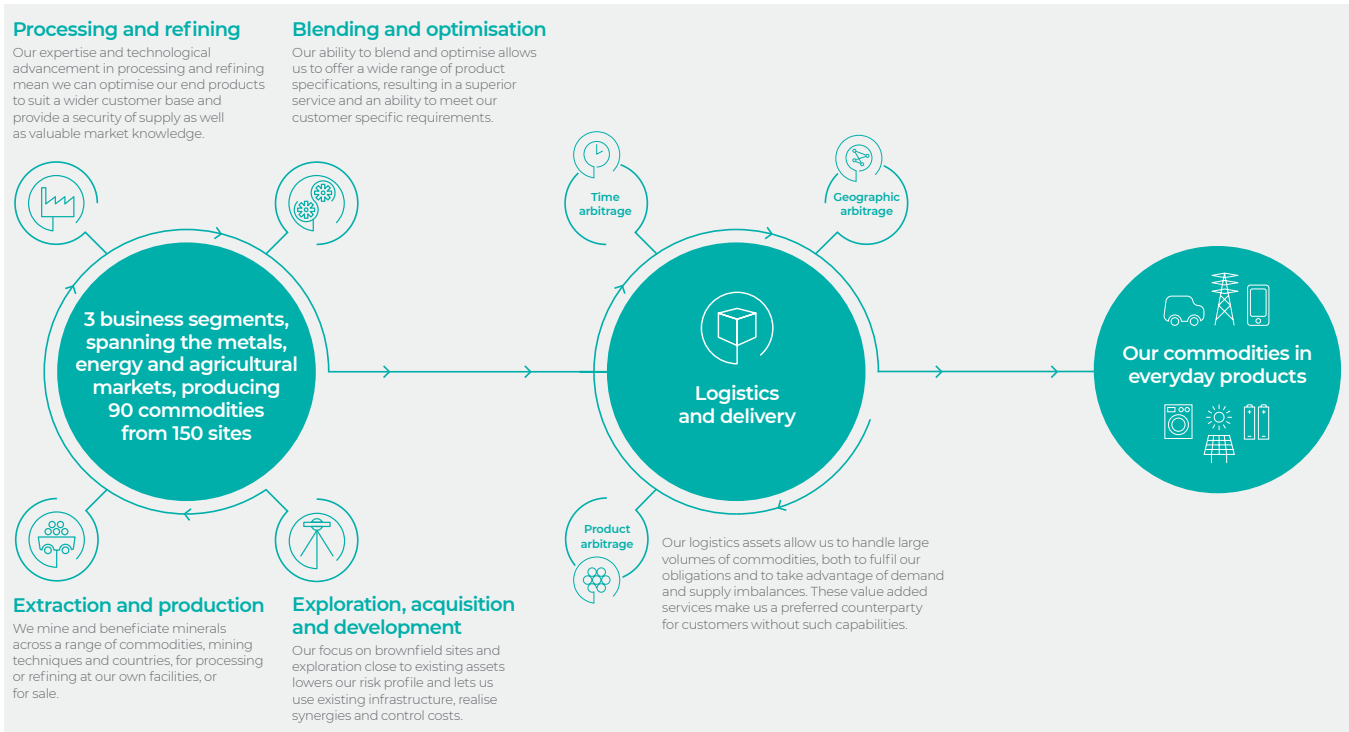
Our Board Health Safety, Environment and Communities (HSEC) Committee (the Committee), which includes our Chief Executive Officer and Chairman as members, sets the strategic direction for our sustainability activities, including our approach towards human rights and Modern Slavery, and oversees the development and implementation of our strategic HSEC programmes.

The Committee regularly evaluates the effectiveness of our systems for identifying and managing HSEC-related risks, and considers overall performance. The Committee receives regular updates on our performance in the area of human rights, including being made aware of complaints.

We did not receive any Modern Slavery complaints during 2017 through our operational grievance mechanisms, Raising Concern platform or through any other means.



Our activities



With a presence at multiple stages of the commodity chain, our procurement activities cover the equipment and services necessary for the exploration, extraction, production, processing, logistics and delivery of our commodities. To ensure the timely delivery of competitively priced and good quality equipment, services and qualified labour, we rely on global supply chains, comprised of both key multinational companies and regional and national suppliers. During 2017, our assets' procurement activities spent over \$13 billion in payments to suppliers.

We are committed to local procurement and use local suppliers whenever commercial, technical and capability considerations are equal. During 2017, 76% of our suppliers and contractors were local to our operating countries.

Some of the regions where we operate lack strong local businesses. In these areas, our community and procurement teams work together to identify needs and develop support programmes for local businesses, to help them meet our quality standards

and our expectations with regard to conduct. As part of this, we offer targeted training on business management skills, underwrite credit applications and guarantee future business within specific limits. We also encourage large international contractors to develop local partnerships to build capacity locally, resulting in employment opportunities and a transfer of skills. We want to help these local businesses grow and become nationally and even internationally competitive.

Procurement due diligence

In accordance with our Code of Conduct, we seek to ensure that our suppliers, including contractors, maintain:

- Lawful business practices
- Zero tolerance for human rights violations, in relation to both their people and the communities in which they work
- Safe, healthy and fair workplaces
- Business practices that minimise environmental impact

We expect our procurement teams to communicate these standards to suppliers; they are a requirement for working with Glencore and contractually integrated into the award of business.

Where appropriate, these requirements are supported through communication and training particularly around health and safety at the workplace.

Glencore's suppliers in our procurement activities, potential or incumbent, are subject to a risk identification analysis performed by the local asset during pre-qualification, a tendering process or term of an existing contract. We adopt a risk-based approach to due diligence in our supply chain, respecting that many of our multinational suppliers (eg mining equipment) operate within comparable business principle frameworks prevalent through the mining industry.



Risk assessment and mitigation

Our operations are required to conduct risk assessments that address human rights concerns, including those relating to Modern Slavery in their supply chain. Where a risk of human rights violations is identified, a response strategy is required, which may include engagement with the supplier, training and mentoring support, and ultimately could result in termination of contract in case of continued violations.

We regularly review the performance of our risk assessment framework. We recognise that while there are examples of best practice at some of our operations, the size and diversity of our group means that our approach is not consistently applied. We are working on ensuring a more consistent approach towards the identification of potential risks, policy application, supply chain human rights due diligence and communicating and reporting on progress. In addition, we are addressing additional training and capacity development as well as strengthening our existing partnerships to mitigate potential human rights impacts.

Addressing artisanal mining in the DRC



Following public reports of the use of child labour in artisanal mining of cobalt in the Democratic Republic of Congo (DRC), we reviewed closely all our cobalt production, transportation and processing processes, as well as our relationships with our suppliers of cobalt in the. We do not process artisanally-mined cobalt at our facilities, and we have engaged with our transport providers to ensure that no artisanal ore enters our supply chain.

To ensure our understanding of the potential risks within our supply chains is current, we continue to rely heavily on external references and publications such as the Global Slavery Index as guidance to our risk-based approach.

Supporting increased value chain transparency

We actively support transparency in supply chains. We have been part of BetterCoal's Technical & Advisory Committee (TAC) since its inception. The TAC is a multi-stakeholder committee with members from civil society and representatives of Bettercoal suppliers and companies. The TAC reviews, develops and ensures the quality of BetterCoal's standards, assurance processes, impact assessment and reporting.

In Colombia, our Prodeco coal asset as well as Cerrejón, our joint venture coal operation, support the activities of BetterCoal. Both, Prodeco and Cerrejón have signed BetterCoal's letter of commitment and completed its self-assessment programme; they will be audited during 2018 as part of Bettercoal's assurance programme.

Recognising that sourcing of metals and minerals can present risks of Modern Slavery, we are aware of and engaging in the efforts by the Organisation for Economic Co-operation and Development (OECD) to develop its Portal for Supply Chain Risk Information, which builds on its Due Diligence Guidance on Responsible Supply Chains to address human rights and labour violations.

Progress during 2017

During 2017, we implemented a number of initiatives to strengthen our oversight and understanding of our supply chain, these included:

- Establishing a cross-functional human rights working group to review and revise where necessary our existing policies and the standards we expect from our suppliers. As part of our review process, we are conducting an external benchmarking exercise against the policies and standards of our peers to ensure our approach is consistent with industry practice
- Taking steps to ensure that adequate focus on Modern Slavery has been provided for and communicated across our direct suppliers across our assets and procurement activities
- We commenced steps to develop a new policy for suppliers and a supplier standard that commit our suppliers to commit to and implement policies and procedures that align with international frameworks such as the United Nations (UN) Global Compact, the Core Conventions of the International Labour Organisation and the UN Guiding Principles on Business and Human Rights.
- We began to revise where necessary our business practices to reflect the OECD's Due Diligence Guidance on Responsible Supply Chains.



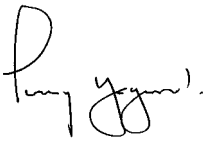
Next steps

This statement outlines the steps we take to ensure Modern Slavery does not occur within our organisation or supply chain. While we do not believe we have solved the problem, the policies and processes we have in place form a basis from which to progress our work.

We are progressing the following steps to advance our performance:

- We will continue the process to update our supply chain due diligence process to include a new policy for suppliers and a supplier standard to address responsible sourcing. We will roll out this to all of our suppliers. The rollout will be accompanied by a training programme for our teams to support their work in ensuring compliance
- Reviewing our risk management framework and incident reporting definitions to ensure we are correctly capturing social incidents
- Reviewing our existing suppliers' contracts and amending where necessary to incorporate obligations that have an appropriate focus on Modern Slavery.
- Formalising our human rights strategy. In turn, this will result in a review and, if necessary, revision to our Group Human Rights Policy to reflect the provisions made with regard to Modern Slavery and other labour violations
- Incorporating the expectations of the OECD's Due Diligence Guidance on Responsible Supply Chains into our training and awareness activities and seek to ensure that our employees are aware of the potential signs and risks of human rights violations, including Modern Slavery, and of the steps to take to address these.

This statement was approved by the Board of Glencore plc



Tony Hayward
Chairman
16 May 2018

Important notice concerning this document including forward looking statements

This document contains statements that are, or may be deemed to be, “forward looking statements” which are prospective in nature. These forward looking statements may be identified by the use of forward looking terminology, or the negative thereof such as “outlook”, “plans”, “expects” or “does not expect”, “is expected”, “continues”, “assumes”, “is subject to”, “budget”, “scheduled”, “estimates”, “aims”, “forecasts”, “risks”, “intends”, “positioned”, “predicts”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words or comparable terminology and phrases or statements that certain actions, events or results “may”, “could”, “should”, “shall”, “would”, “might” or “will” be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Forward-looking statements are not based on historical facts, but rather on current predictions, expectations, beliefs, opinions, plans, objectives, goals, intentions and projections about future events, results of operations, prospects, financial condition and discussions of strategy.

By their nature, forward looking statements involve known and unknown risks and uncertainties, many of which are beyond Glencore’s control. Forward looking statements are not guarantees of future performance and may and often do differ materially from actual results. Important factors that could cause these uncertainties include, but are not limited to, those discussed in Glencore’s Annual Report 2017.

Neither Glencore nor any of its associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur. You are cautioned not to place undue reliance on these forward looking statements which only speak as of the date of this document. Other than in accordance with its legal or regulatory obligations (including under the UK Listing Rules and the Disclosure and Transparency Rules of the Financial Conduct Authority and the Listing Requirements of the Johannesburg Stock Exchange Limited), Glencore is not under any obligation and Glencore and its affiliates expressly disclaim any intention, obligation or undertaking to update or revise any forward looking statements, whether as a result of new information, future events or otherwise. This document shall not, under any circumstances, create any implication that there has been no change in the business or affairs of Glencore since the date of this document or that the information contained herein is correct as at any time subsequent to its date.

No statement in this document is intended as a profit forecast or a profit estimate and no statement in this document should be interpreted to mean that earnings per Glencore share for the current or future financial years would necessarily match or exceed the historical published earnings per Glencore share.

This document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any securities. The

making of this document does not constitute a recommendation regarding any securities.

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

Disclaimer

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

Glencore plc
Baarer mattstrasse 3
CH-6340 Baar
Switzerland

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

www.glencore.com