

Ethics and Compliance Programme
24 May 2022



A Different Company Today

Total
commitment to
being a
responsible
and **ethical**
operator

New centralised compliance programme: Glencore has invested substantial resources towards building and implementing a best-in-class Ethics and Compliance Programme to ensure that core controls are entrenched and effective in every corner of Glencore's operations

New leadership: Glencore has a refreshed Board and management team

New ways of working: Glencore has instituted a comprehensive business partner management framework, including significantly reducing the use of third-party business generating intermediaries and employing end-to-end controls to oversee their engagement

New assurance: In building and maintaining its Ethics and Compliance Programme, Glencore has engaged leading external advisors to review its systems and verify and assure its controls

New commitment: These changes demonstrate a lockstep commitment to foster a culture of integrity, responsibility and transparency to ensure that improper conduct has no place within the Glencore of today

Setting the Tone from the Top - Board

Proactive leadership role in supporting and overseeing our Ethics and Compliance Programme and promoting an ethical and compliant culture

- CEO Gary Nagle appointed 1 July 2021 and Non-Executive Chair Kalidas Madhavpeddi appointed 30 July 2021
- Six of eight Board members appointed in the past four years; five directors are independent
- Ethics, Compliance and Culture (ECC) Committee – dedicated committee established in 2019, comprised of three non-executive directors, focused on oversight of the Ethics and Compliance Programme and company culture
- Regular reporting; annual Board training; designated Engagement Directors promoting compliance culture and connecting with employees



Kalidas Madhavpeddi
Chairman

H I N R



Gary Nagle
Chief Executive Officer



Martin Gilbert
Senior Independent Director

A I N R



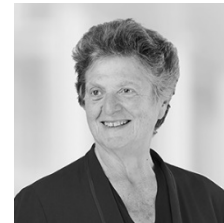
Peter Coates
Non-Executive Director

E H N



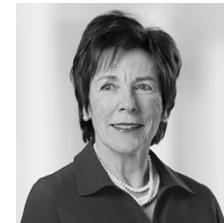
Cynthia Carroll
Non-Executive Director

H N R



Gill Marcus
Non-Executive Director

A E N



Patrice Merrin
Non-Executive Director

E H I N



David Wormsley
Non-Executive Director

A N

A Audit E Ethics, Compliance and Culture H Health, Safety, Environment and Communities

I Investigations N Nomination R Remuneration ● Denotes Committee chair

Setting the Tone from the Top – Leadership Team

Refreshed management team with a commitment to integrity, responsibility and transparency

- New CEO and heads of commodity departments
- Appointment of a dedicated Head of Compliance who regularly reports to the Board, giving our centralised compliance increased visibility and an empowered seat at the table



GARY NAGLE
CEO

Elevation of the Compliance Function

General Counsel provided leadership for the elevation and visibility of the function and strong focus on ethics and compliance

- Appointed May 2016
- Architect of ethics and compliance overhaul

New dedicated role of Head of Compliance, with direct access to Board and senior management

- Appointed August 2020
- UK-qualified lawyer; former Chief Compliance and Ethics Officer at BG Group Plc. (formerly British Gas) and then Chief Compliance Officer of Royal Mail Group Plc.

Experienced compliance leadership and staff

- Layered compliance structure at the corporate, regional and local levels, with a risk-based geographic allocation of compliance personnel and resources
- Investment in experienced, high-calibre compliance professionals with the right expertise and extensive global experience in anti-corruption, including in high-risk jurisdictions, and market conduct
- Skills cover risk assessment, due diligence, training, investigations and audit

Full-time
compliance
staff
headcount
**more than
quadrupled**
since 2016

**More than
ten-fold
increase in**
annual
compliance
spending
since 2016

Revamped Code of Conduct and Policy Framework

We overhauled and relaunched our Code of Conduct over recent years through a comprehensive global campaign designed to embed our Values and set high expectations for all employees

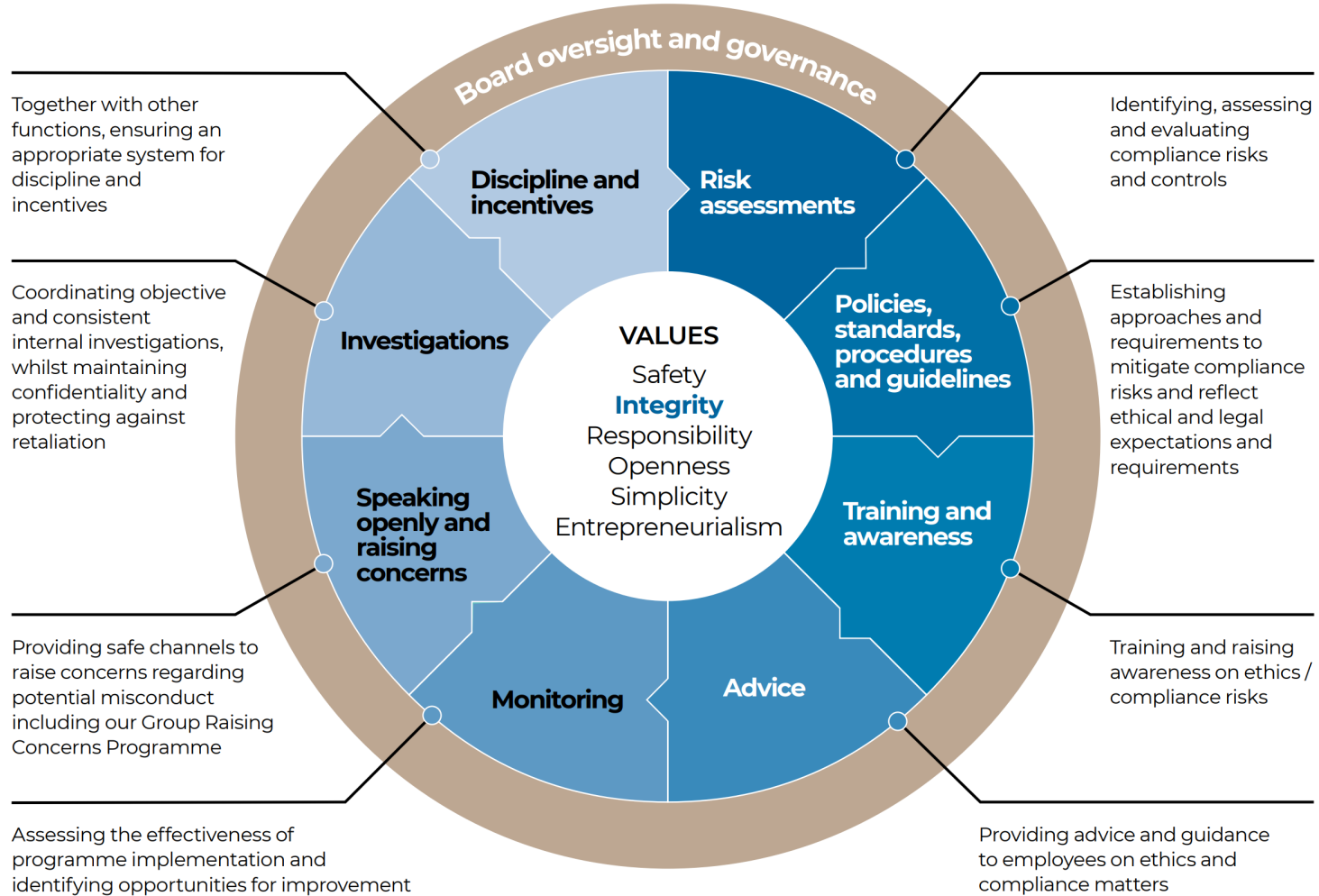
- New Code of Conduct launched in July 2021 through a live event with CEO Gary Nagle, senior leaders and representatives from offices and industrial assets
- Toolbox of new Code of Conduct communications materials provided in 12 languages

Code of Conduct and embedded Values are supported by extensive policies, standards, procedures, guidelines and internal manuals

- 45 Compliance documents, plus 32 internal Compliance manuals, covering a range of topics including anti-corruption and market conduct



Glencore Ethics and Compliance Programme Framework



Extensive Training and Awareness to Embed our Code of Conduct and Values

Glencore employees receive extensive, regular in-person and digital ethics and compliance training and awareness tailored to the risk rating of their particular role

- Mandatory in-person training for new employees and annually for high-risk positions, including on Code of Conduct, Anti-Corruption and Bribery Policy and Market Conduct Policy
 - In 2021: 124 in-person Anti-Corruption and Bribery Policy sessions attended by 3,104 employees and 59 in-person Market Conduct Policy sessions attended by 680 employees
- Mandatory digital Annual Compliance Training with additional modules depending on employee role and risk classification; employees must annually attest to reading, understanding and abiding by the Code of Conduct and Anti-Corruption and Bribery Policy
 - In 2020-2021: 76,193 Code of Conduct training completions, 47,340 Anti-Corruption & Bribery Policy training completions, 35,668 Sanctions training completions and 51,700 Conflict of Interest training completions
- Targeted interactive digital short “Sprints” and longer e-Learnings on anti-bribery and corruption policy for employees exposed to higher corruption risk
- Pre- and post-training knowledge quizzes to check employees’ understanding and surveys to measure training effectiveness
- Centralised Global Learning Management System for facilitating training and tracking training completion
- Tracking of mandatory training completions and escalation procedure for overdue completions
- Regular compliance awareness efforts, such as checklists, bulletins, newsletters, practical guides, management communications and events



Speaking Openly: Global Raising Concerns Programme

Multiple reporting channels

- ✓ Employees are required to raise to their immediate **supervisor** or **manager** any situations that appear to breach Glencore's Code, policies or the law
- ✓ Employees may also reach out to a **Whistleblowing Contact** at the marketing office or industrial asset where they work, who is responsible for receiving such concerns
- ✓ If unresolved through local channels, or if employees feel uncomfortable using local reporting channels, the concern can be raised through the anonymous **Raising Concerns platform**

Raising Concerns platform

- ✓ Offers **anonymous** reporting channels for all Glencore employees, business partners and other stakeholders
- ✓ Available in **15 languages** and supported by **email** and **telephone** lines
- ✓ GDPR compliant



<https://glencore.raisingconcerns.org/>

- ✓ **Corporate Investigations Procedure, Local Concerns Management Standard** and **Local Investigations Template Procedure** require all received concerns to be investigated consistently and effectively
- ✓ **No retaliation policy** strictly enforced
- ✓ Engaged in extensive **awareness campaign** to promote the Raising Concerns Programme across the Group and to help ensure concerns are properly reported and managed
- ✓ Progress and **outcome** of investigations provided to the submitter of the concern, where possible
- ✓ Board and management kept up to date on **trends** and **areas of concern**

Comprehensive Business Partner Management Framework

Substantially reduced risk profile

- **Changed business model:** Significantly reduced the use of business generating intermediaries
- Approximately 95% reduction in the number of sales and purchase agents in Marketing business since 2016; **none** now support the Oil Marketing business
- **Enhanced controls:** Deployed an end-to-end system of controls for their vetting, onboarding and monitoring post-engagement



Transparent approach

- Marketing sales and purchase agents disclosed on our website

Strengthened Market Conduct Compliance Controls

- Established a dedicated global Market Conduct Compliance team specific to the Oil department
- Conducted an expanded risk assessment targeted specifically at identified oil market conduct risks to inform Glencore's controls
- Implemented a Group-wide Market Conduct compliance framework, consisting of a Market Conduct Policy and supplemental Guidelines addressing market manipulation, inside information and benchmark and price reporting agencies, with specific procedures for select departments that frequently interact with benchmark and price reporting agencies
- Instituted enhanced regular training, communication and engagement for Oil department traders and other market-facing personnel
- Expanded monitoring and surveillance of Oil department communications and transactions. Actively implementing additional third-party monitoring systems to expand surveillance across the entire marketing business. Expanded market conduct surveillance team



Extensive Monitoring and Testing

Ongoing monitoring and testing to ensure an effective programme

Periodic on-site reviews

Centralised desktop reviews



Group Compliance and Group Monitoring Team

System-based transaction analytics to identify and follow trends and detect and escalate concerns for further review



Leading External Advisors and Group Compliance Monitoring Team

Audit reviews



Group Internal Audit

Centralised automated compliance database and portal allows Group Compliance to track the programme across the Group

67

On-site reviews

(including 13 remote reviews due to COVID) since 2017

18

Desktop system and process reviews

Since 2017

52

Internal Audit compliance reviews

Since 2017

For More Information

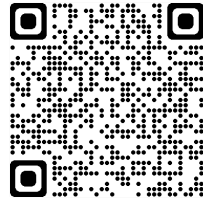
Glencore
Website:
Ethics and
Compliance

[Ethics and compliance
\(glencore.com\)](https://www.glencore.com/ethics-and-compliance)



Glencore
Website:
Our approach to
transparency

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Ethics and
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Report **2021**

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Report_2021.pdf](https://www.glencore.com/.rest/api/v1/documents/a80dbf3261d315ce78ab82b9c7a30627/GLEN-Compliance-Report_2021.pdf)

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