

A woman wearing a blue jacket, a green scarf, and a brown hat with a veil is smiling in a tomato field. Other workers in red and blue clothing are visible in the background among the green tomato plants.

GLENCORE



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 2016 Annual Report.

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 UK Financial Conduct Authority and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited 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.

Agenda

1 **Opening comments**
Tony Hayward, Chairman

2 **2016 Performance highlights and next steps**
Ivan Glasenberg, Chief Executive Officer

3 **Focus on climate change**
Andrew Fikkers, Glencore Coal

4 **Questions**



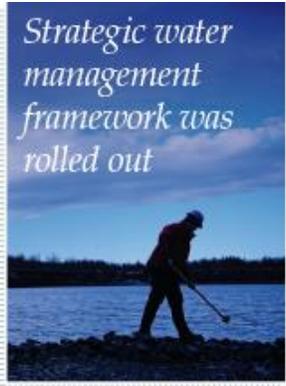
Opening comments
Tony Hayward, Chairman

2016 Sustainability performance highlights

\$84 million
spent on initiatives benefitting our communities



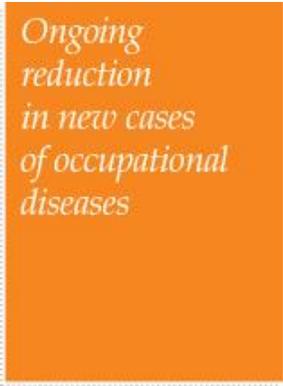
Strategic water management framework was rolled out



400+
HPRIs reported



Ongoing reduction in new cases of occupational diseases



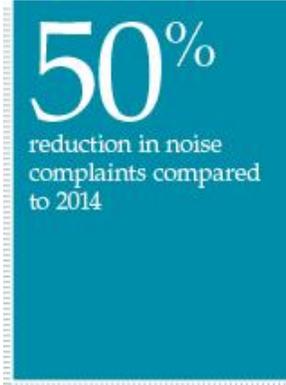
Community leadership programme and toolkit developed and rolled out



2016
published our first payments to government report, detailing payments on a project-by-project basis



50%
reduction in noise complaints compared to 2014



2.2 *million tonnes reduction in Scope 1 and 2 CO₂ emissions*



19%
of energy needs met through renewable sources



Board focus: safety

- Board and senior management are committed to improving safety performance
- 16 fatalities in 2016 was deeply disappointing, and strengthened our resolve to prevent fatalities
- Board visited sites in DRC and Zambia, where several of the fatalities occurred
- In-depth review of our safety strategy and monitoring of targeted improvement efforts
- Analysis of our global progress indicates the strategy is correct, and the Board will continue to maintain its focus on eliminating fatalities

**SAFE
WORK**

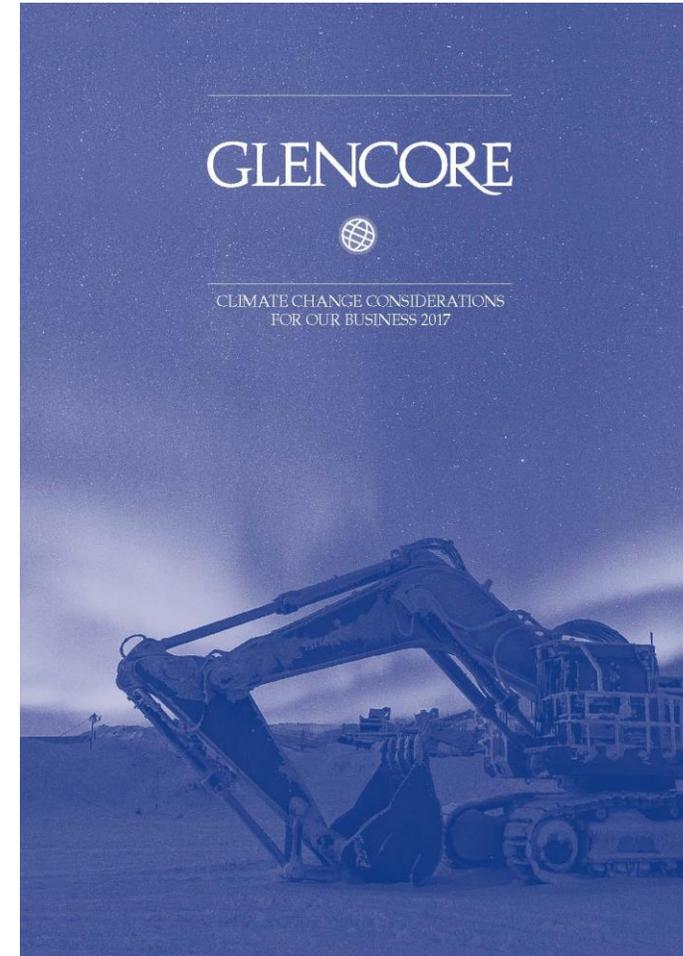


Board focus: climate change

Responding to climate change is a strategic focus for our company

In 2016, we:

- Formed an internal, cross-functional and cross-commodity working group, led by our Chairman with Board oversight to consider and examine climate change issues
- Established an initial group wide emission intensity reduction target of at least 5% on 2016 levels by 2020
- Integrated carbon emissions and energy into our annual business planning process, including mapping our forward projected energy and carbon footprint out to 2020
- Examined the potential implications for our asset portfolio from climate change policy developments and market movements

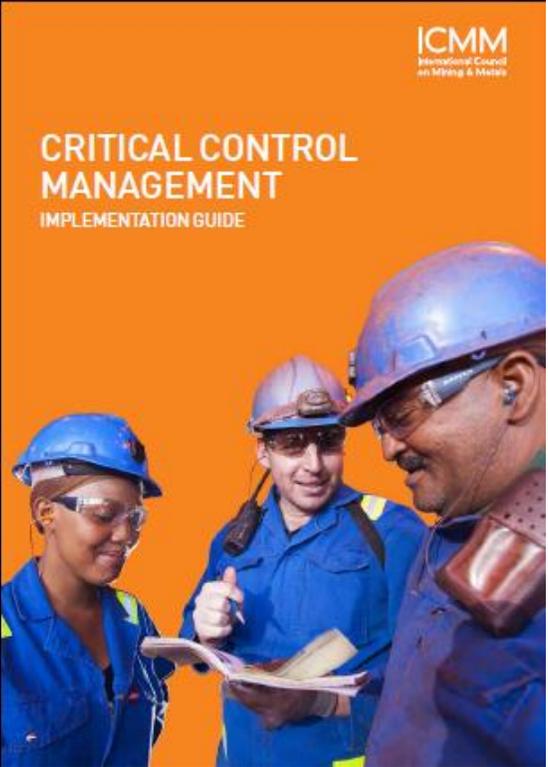


Board focus: catastrophic hazard management

Risk-based approach underpins all areas of HSEC strategy and is a priority for the Board and senior management team

In 2016, we:

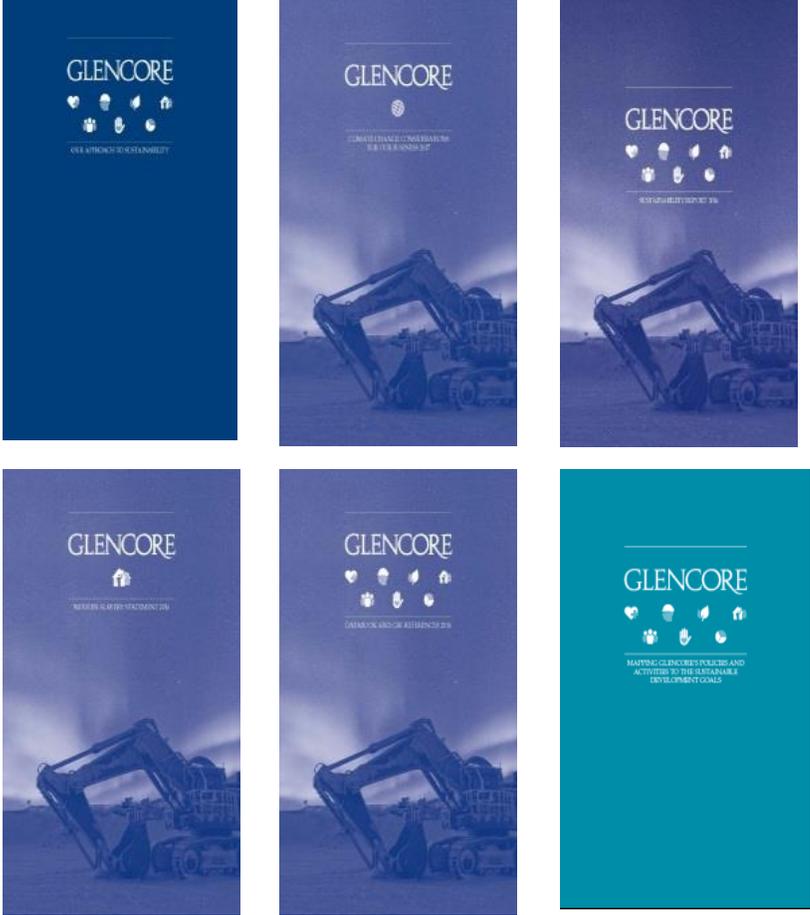
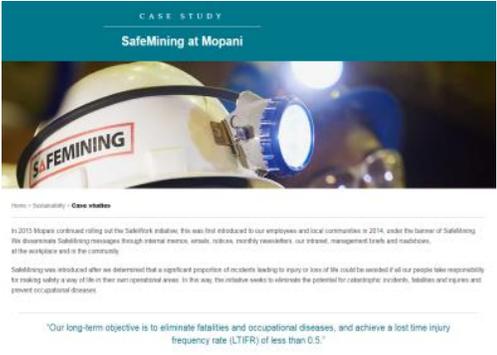
- Focussed on controls to prevent catastrophic consequences for the business; identifying 20 catastrophic hazards across the Group
- Held our annual HSEC summit:
 - Attended by department heads and senior management
 - A platform for shared learning and reporting on progress
 - An opportunity for continued engagement with senior leadership
- Continued alignment with the ICMM approach
- Shared our learnings with our ICMM peers



Committed to transparency

We continue to strengthen our public reporting and we are committed to a transparent approach in our communications and stakeholder engagement

- Focused, in-depth reporting on material issues
- Comprehensive disclosure of our approach to sustainability
- Mapping to Sustainable Development Goals
- Responses to NGO allegations



Going forward – our 2017 priorities

- Continue our focus on achieving zero fatalities
- Eliminate or mitigate catastrophic hazards across our operations
- Continue to meet our ‘Aiming for A’ obligations
- Work with our customers and suppliers to improve understanding and mitigation measures for human rights risks in the value chain





**2016 performance and next steps
Ivan Glasenberg, Chief Executive Officer**

Our strategy

Our main strategic objective is to sustainably grow total shareholder returns while maintaining a strong investment grade credit rating and acting as a responsible operator. To achieve this ambition, we are focusing on three strategic aims:

Fully integrating sustainability throughout our business

Key performance indicators:
Safe and healthy workplace - TRIFR
Environment: water, green house gas emissions
Long-term value for communities – community investment spend

Maintaining a robust and flexible balance sheet

Key performance indicators:
Returns to shareholders: Funds from operations, Net funding and debt
Value for our shareholders – Adjusted EBIT/EBITDA, Net income attributable to equity holders

Focusing on cost control and operational efficiencies throughout our business

Key performance indicators:
Returns to shareholders: Funds from operations, Net funding and debt
Value for our shareholders – Adjusted EBIT/EBITDA, Net income attributable to equity holders

2016 Highlights

Strong financial performance

- Adjusted EBITDA^(1,2) of \$10.3bn, up 18%; Adjusted EBIT^(1,2) of \$3.9bn, up 81%
- Net income pre-significant items of \$2bn, +48%
- Funds from operations of \$7.8bn, up 17%
- Capital expenditure of \$3.5bn, down 41%

Underpinned by outstanding cost performance ...

- Full year operational unit cash cost performance in our key commodities: copper 87c/lb, zinc –5c/lb (16c/lb ex gold), nickel 265c/lb, and thermal coal \$39/t at a \$18/t margin
- Lower copper, zinc and nickel cost structures expected to be sustained into 2017 along with expected higher coal margins

... and the resilience of Marketing

- Marketing Adjusted EBIT of \$2.8bn, up 14% and above previous guidance of \$2.5-\$2.7bn. Supported by generally healthier market conditions across all business segments
- 2017 guidance of \$2.2-\$2.5bn - lower range reflects the sale of 50% of Glencore Agriculture in December 2016

September 2015 debt reduction plan complete

- Net funding and Net debt reduced by \$14.7bn & \$14.1bn respectively over the past eighteen months to \$32.6bn and \$15.5bn
- Cash flow coverage ratios significantly improved and repositioned to strong investment grade levels
 - *FFO to Net debt: 50%*
 - *Net debt to Adjusted EBITDA: 1.51x*

Compliance

Board and Audit Committee oversight Tone from the top



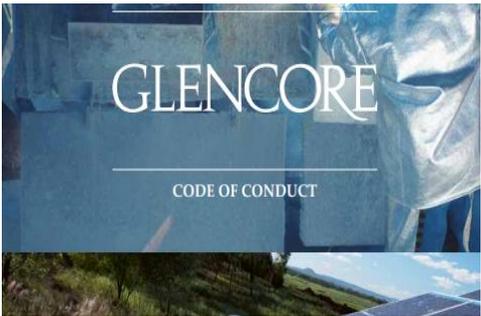
Business Ethics Committee Comprises senior representatives Chaired by Group CEO

Our business			
Metals & minerals		Energy products	Agriculture
Copper	Ferrous	Coal	Agriculture
Marketing & industrial Tolis Mistakidis	Marketing – Stuart Cutler Industrial – Gary Nagle	Marketing – Tor Peterson Industrial – Peter Freyberg	Marketing & industrial Chris Mahoney
Zinc	Nickel	Oil	
Marketing – Daniel Mate Industrial – Chris Ekdale	Marketing – Kenny Ives Industrial – Marc Boisseau	Marketing & industrial Alex Beard	
Aluminium	Iron Ore		
Marketing & industrial Robin Scheiner/David Struik	Marketing & industrial Jyothish George		

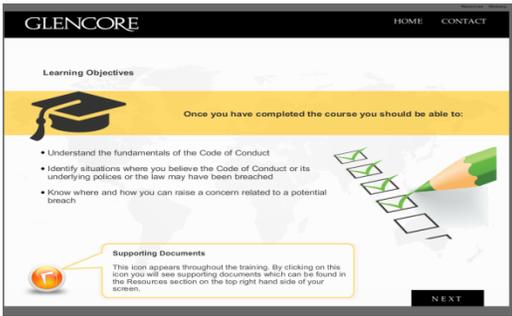
Group compliance teams and 98 Compliance Coordinators worldwide



Global and local compliance policies Regular training and screening



Annual compliance confirmation 49,688 e-learning completions in 2016



Raising Concerns

Glencore's corporate whistleblower programme



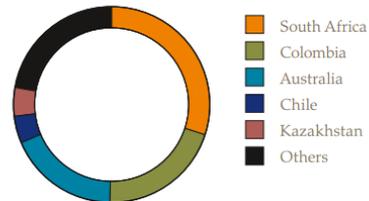
Available channels: E-mail, Webform, Toll-free numbers



Raising Concerns programme received 153 reports in 2016 (140 reports in 2015)

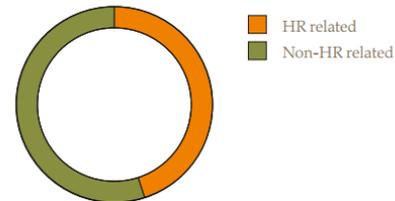
Oversight by the Business Ethics Committee and the Audit Committee

Raising concerns – reports by country (2016)



- South Africa: 46 reports (30%)
- Colombia: 31 reports (20%)
- Australia: 29 reports (18%)
- Chile: 7 reports (5%)
- Kazakhstan: 7 reports (5%)
- Others: 33 reports (22%)

Raising concerns – reports by subject (2016)



- Human resources related: 69 reports (45%), mostly related to unfair treatment and bullying/harassment
- Non-human resources related: 84 reports (55%), including allegations of conflict of interest, theft, safety breaches, irregularities in procurement and fraud

Code of Conduct enforcement: 318 employees dismissed in 2016 for breach of the Code



Catastrophic hazard management

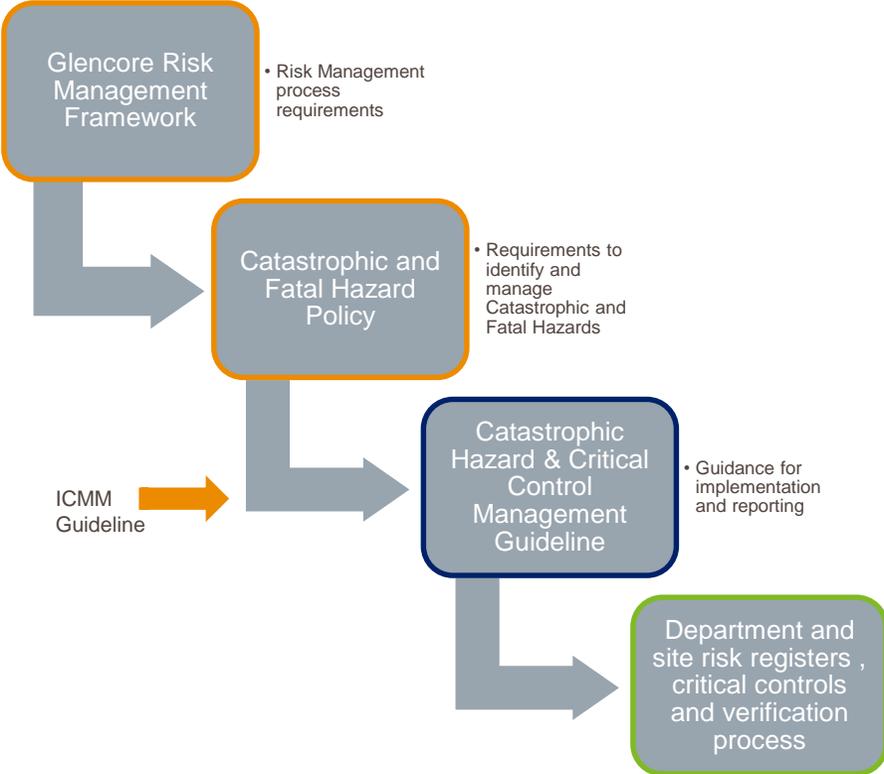
Focus on risk underpins all areas of HSEC strategy and is a priority for the senior management team

Key activities:

- All operations have identified their catastrophic hazards
- Training on identification and management of critical controls in progress
- Inspection, monitoring and verification processes are being established
- Progress to full implementation is being monitored at Department and Glencore Corporate level, with overall results reported to the HSEC Committee
- Approach is aligned with ICMM

Looking ahead:

- Technological innovation and best practices are shared across the group for accelerated learning



Safety

Our Board and senior management are committed to improving safety performance



Focus countries highlighted in dark blue

In 2016:

- 16 people lost their lives at Glencore operations during 2016
- Performance milestones at focus assets:
 - South America – first fatality free year
 - Agriculture – two years fatality free
 - Kazzinc – one fatality in 26 months
- YTD 2 fatalities vs 8 in 2016 as at end of May

Next steps:

- Continued work to eliminate fatalities
- 50% reduction of Group LTIFR by the end of 2020, against 2015 figure of 1.34
- 50% reduction in TRIFR by 2020 using 2014 figures as baseline*



* Our 2014 TRIFR baseline has been restated this year to take into account enhanced definitions as well as improved data accuracy and recording of reported indicators.

Water

We recognise that water is a shared and finite resource; we are conscious of the increasing concerns of local stakeholders and other water users.

Our Group water strategy has five primary objectives:

1	Assessment of our material water impacts, risks and opportunities
2	Gaining an understanding of our water footprint
3	Development and implementation of water management plans to avoid, minimise or mitigate water impacts and risks
4	Improvement of our water management performance, including setting targets
5	Ongoing engagement with stakeholders and public reporting on our progress

We continue to identify ways to optimise water use and support shared access

Improving water reuse:

- At the Lomas Bayas copper mine in Chile, an optimisation programme began in 2008. Today, technological innovation means each drop of water is reused 10.5 times.

Supporting shared access:

- Coal operations in Australia extract and treat mine water, which is used for agriculture, to enhance local rivers, and reduce mine water allocations in favour of local communities.

Next steps:

- Continue to improve ongoing performance analysis and support the deployment of our water strategy
- Begin a pilot study using the ICMM catchment-based approach to water management

Climate change

Responding to climate change is a strategic focus for our company.

Our assessment demonstrates:

- Our commodity mix is well-positioned to support transition to a low carbon economy
- Our business is broadly resilient under all established policy scenarios
- We continue to monitor operational risks related to climate change
- Met 19% of our total energy needs through renewable sources

The impact of electrification per vehicle: c.160kg Cu

Battery (250kg) ⁽¹⁾ (NCM 1,1,1)	Car (EV-ICEV) ⁽¹⁾	Charging Point ⁽²⁾
+ c.38kg Copper + c.11kg Cobalt + c.11kg Nickel	+ c.100kg Copper (Contained in Cu motors and inverters for motors and charging)	+ c.20kg Copper

• Ambitious global targets ...

- Major countries targeting cumulative sales of 13.4 million BEV/PHEV vehicles by 2020, and an estimated c.52 million by 2025⁽²⁾

• ... will have an outsize impact on metals markets

- 2020e: +c.373kt Cu demand, +c.40kt Ni demand⁽²⁾
- 2025e: +1.65Mt Cu demand, +c.210kt Ni demand⁽²⁾
- 2035e: Rapid adoption scenario where c.95% of global vehicle sales are EV would require: +20Mt Cu, +1.8Mt Ni, +679kt Co⁽¹⁾

• Higher commodity prices are required to incentivise reinvestment to offset a declining resource and aging asset base

Source: (1) Bernstein European Metals and Mining, 18 April 2017, *The Electric Revolution, Part 2: Raw Material Bottlenecks and commodity winners in the green economy*. (2) Exane BNP Paribas, 18 April 2017, *Electric dreams (are made of these)*. (6) FT, 30 April 2017, *Carmakers grapple with China's electric vehicle drive*.

Community and human rights

Our goal is to contribute to the economic resilience of our host communities and to uphold respect for human rights

Our community programmes aim to reduce dependency on our operations by supporting long-term economic diversification

- In the DRC, we support 88 cooperatives, with 3,000 members, over 50% of whom are former artisanal miners
- In Colombia, we work with municipal and regional government to support long-term agricultural development as part of the peace process – well after our operations close

94%	of our workforce is local to the countries where we operate
73%	of our global procurement bill is with suppliers and contractors local to the countries where we operate
\$84m	spent in 2016 on programmes supporting local community development, including \$20 million to support and develop approximately 141,000 local entrepreneurs
\$3.4m	spent on infrastructure for water processing and distribution

We uphold respect for human rights through:

- Providing security training in focus countries and undertaking engagement with community
- Operating appropriate complaints mechanisms at all of our operations
 - In 2016, the majority of complaints related to noise and dust; no significant human rights complaints
- Mitigating the impacts of our operations on host communities
 - Our resettlement activities are aligned with international standards and aim to improve livelihoods



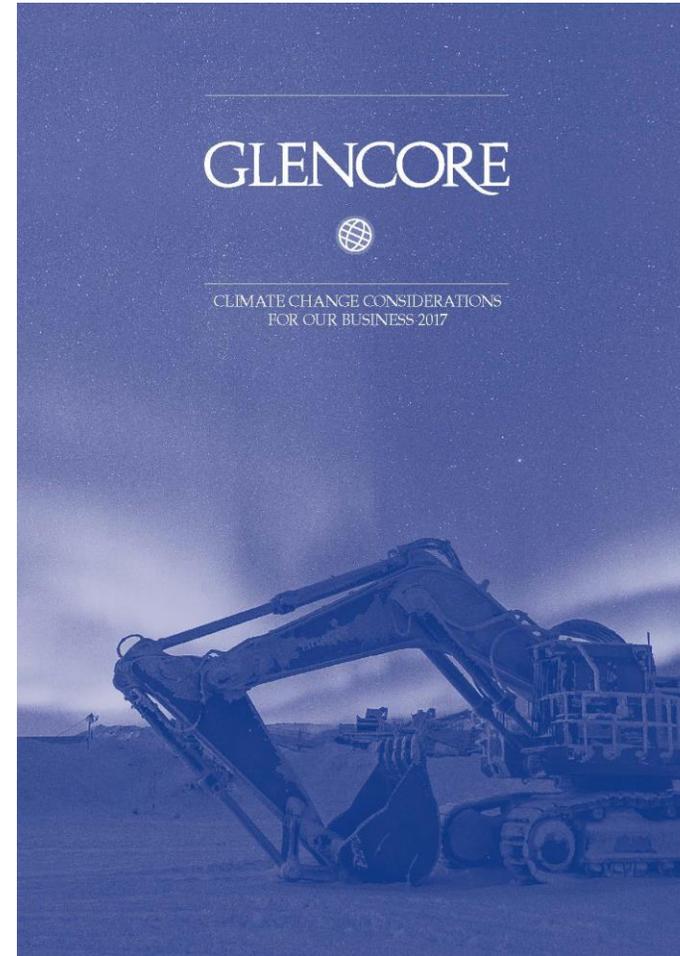
Climate change considerations for our business
Andrew Fickers, Glencore Coal

Climate change and our business: 2017 report

Updated report provides an assessment of our business based on climate policy scenarios and associated carbon prices

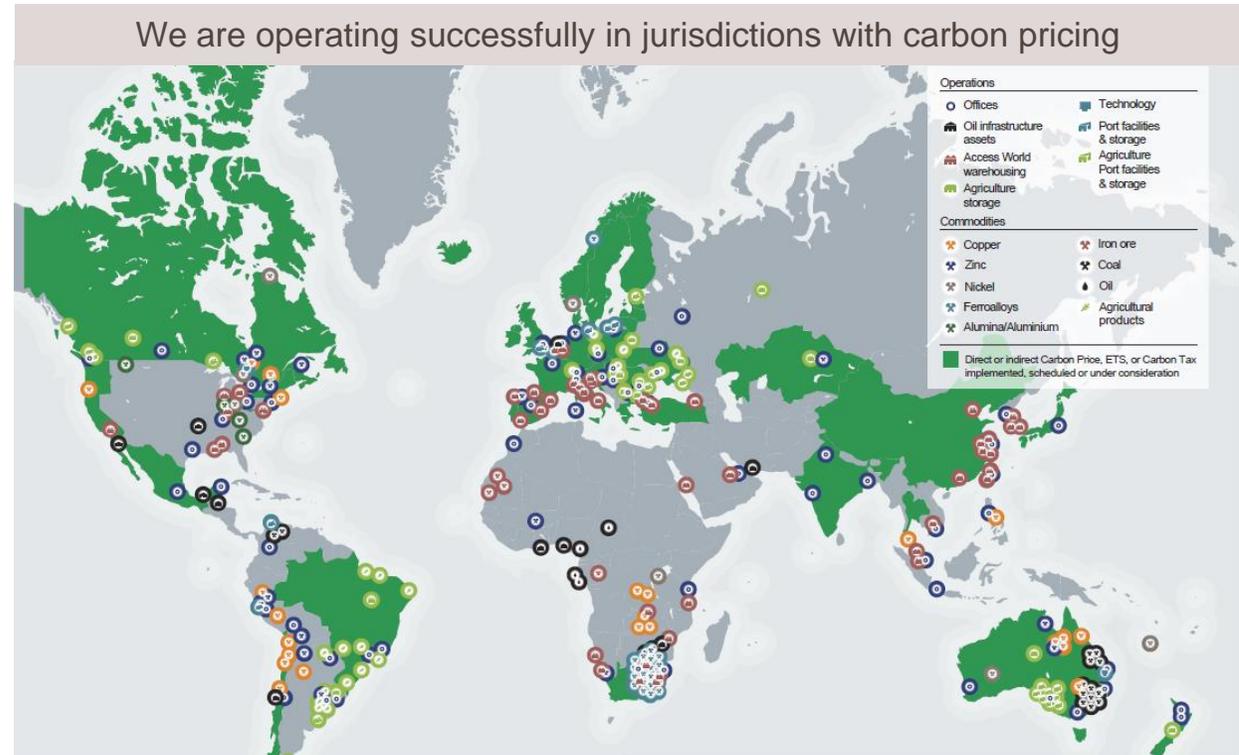
Report focuses on:

- Assessment of current climate and carbon policies
- Integration of climate change issues across our business and adoption of a energy intensity reduction target of 5% 2016-2020
- Development of our climate change scenarios and incorporation of carbon prices
- Assessment of portfolio resilience under the climate scenarios
- Development of risk management for climate change
- Our engagement with public policy



The Paris Agreement

- Divergence and mitigation shortfalls of NDC's illustrates challenges;
 - Reducing energy poverty
 - Funding energy security
 - Supporting economic growth
- Developing economies emphasise the need for affordable baseload power
- Achieving universal access to affordable, reliable and modern energy services by 2030 is one of the UN Sustainable Development Goals, projections based on NDC's show today's efforts falling short of reaching this goal^



Climate scenarios

Delayed action is Glencore’s central scenario

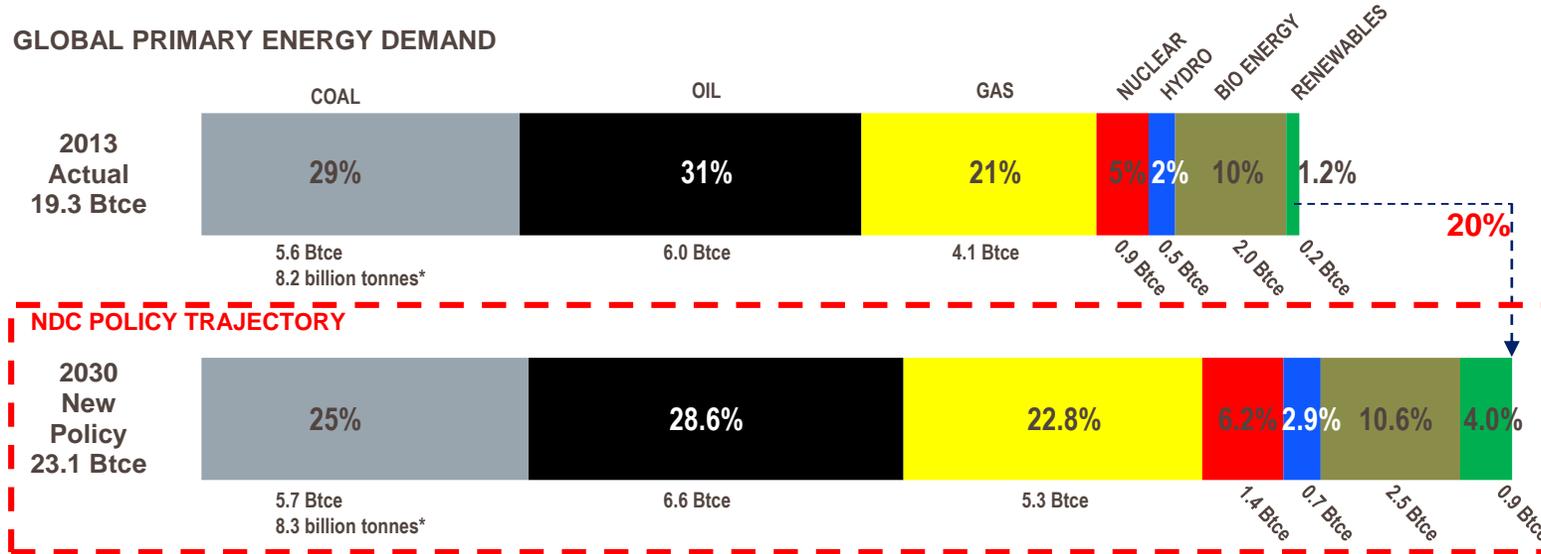
- Reflects Glencore’s considered opinion that global co-ordination and implementation of climate policy will not meet timelines as committed in the Paris Agreement
- Recognises technology shifts will continue to support an energy and emissions transition

Committed and Ambitious action replicate the IEA’s New Policy and 450 Scenarios respectively

Glencore Scenario	Alignment with IEA Scenario	Description	Carbon Prices in 2030
Delayed Action (Glencore Central Scenario)	<p>New Policies Scenario:</p> <ul style="list-style-type: none"> • Uncoordinated and haphazard implementation • 5-10 year delays to full and timely implementation 	<ul style="list-style-type: none"> • Domestic efforts to reduce emissions and NDC implementation are variable • Many countries not meeting their stated targets or objectives • Inconsistent implementation of carbon pricing across mainly developed economies • Fossil fuels continue as primary base for electricity generation, especially in Asia • Slower introduction of low-carbon technologies and delayed retirement of old plants • Stronger global emphasis on efficiency but slow and poor delivery of climate finance 	<ul style="list-style-type: none"> • Australasia \$10 / t CO2e • Africa \$ 7 / t CO2e • Eurasia \$ 7 / t CO2e • Europe \$20 / t CO2e • Nth America \$20 / t CO2e • Sth America \$ 6 / t CO2e
Committed Action	<p>New Policies Scenario:</p> <ul style="list-style-type: none"> • Timely and full implementation of Nationally Determined Contributions (NDCs) 	<ul style="list-style-type: none"> • Emission reductions with NDC implementation achieved by key countries • Coordinated and structured implementation of carbon pricing by developed economies • Moderate growth of nuclear, renewables • Increasing use of high-efficiency, low emission (HELE) technologies for electricity • Enhanced energy efficiency supported by climate finance 	<ul style="list-style-type: none"> • Australasia \$23 / t CO2e • Africa \$15 / t CO2e • Eurasia \$15 / t CO2e • Europe \$37 / t CO2e • Nth America \$37 / t CO2e • Sth America \$12 / t CO2e
Ambitious action	<p>450ppm Scenario</p> <ul style="list-style-type: none"> • Consistent with achieving 2 degree climate change goal 	<ul style="list-style-type: none"> • Global efforts to reduce emissions accelerated beyond existing NDCs • Universal adoption of carbon pricing through structured global carbon pricing regime • Rapid deployment of break-through technologies • Non-subsidised investment in renewable energy, battery storage, energy efficiency and carbon capture and storage (CCS) 	<ul style="list-style-type: none"> • Australasia \$100 / t CO2e • Africa \$ 75 / t CO2e • Eurasia \$ 75 / t CO2e • Europe \$100 / t CO2e • Nth America \$100 / t CO2e • Sth America \$ 75 / t CO2e

NDC's: Energy demand and supply

GLOBAL PRIMARY ENERGY DEMAND

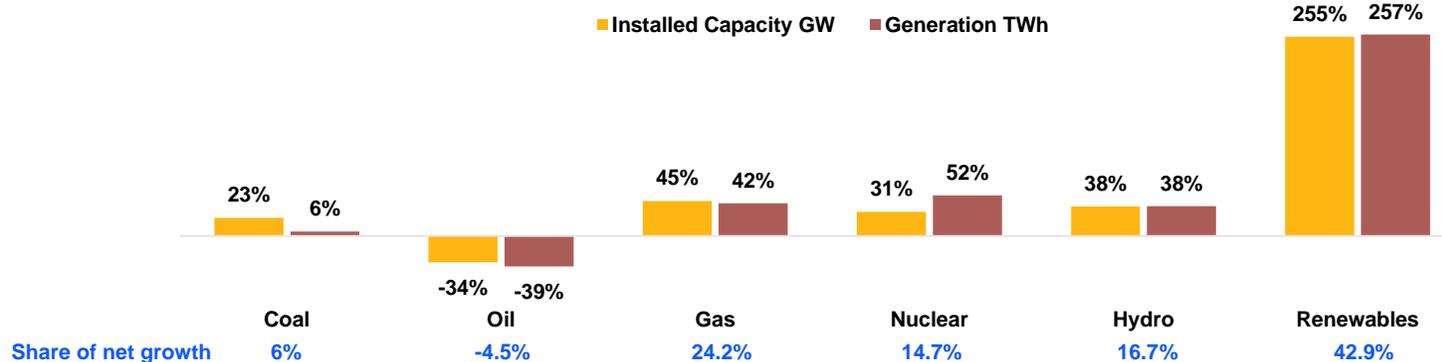


1% pa or 18% improvement in global energy efficiency by 2030

Global energy demand grows by 20% and substantial latent demand remains;

- 730 million people remain without access to electricity
- 2.3 billion people continue to use solid biomass for cooking – “which is a mark of energy poverty rather than a positive contribution to low-carbon development” (IEA WEO 2016)

Net change in electricity capacity and generation to 2030

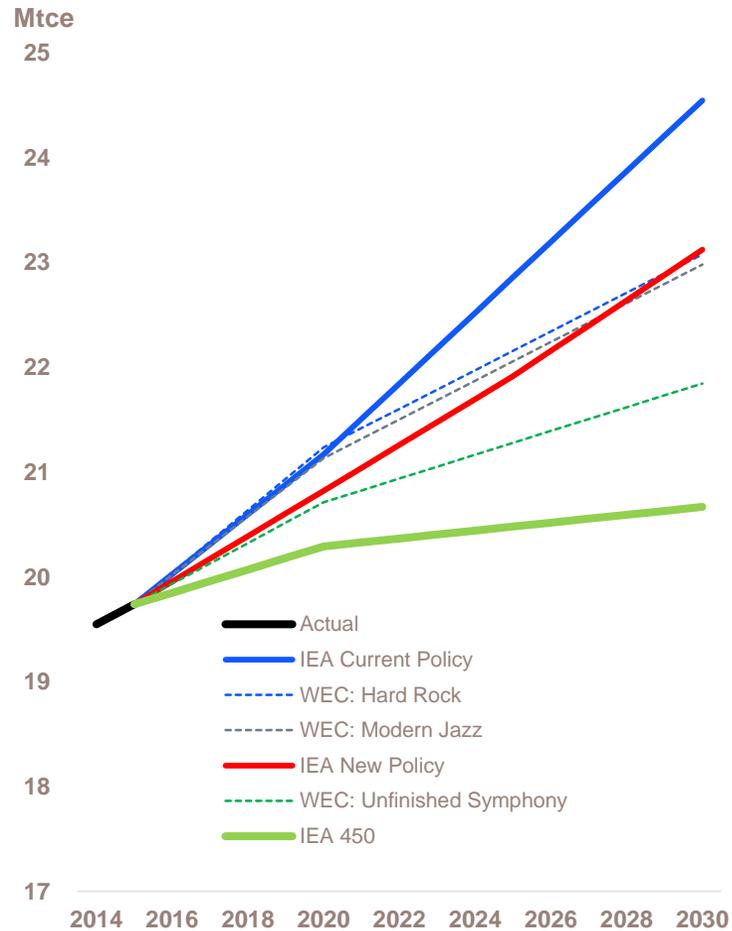


Source: IEA WEO 2016

Btce : billion tonnes of coal equivalent – standardised coal quantity using coal with energy content of 7000kcal/kg or 29.31 GJ/t
Converted to metric tonnes based on global average coal energy of 4850kcal/kg nar

Benchmarking

Global Primary Energy Demand Scenarios

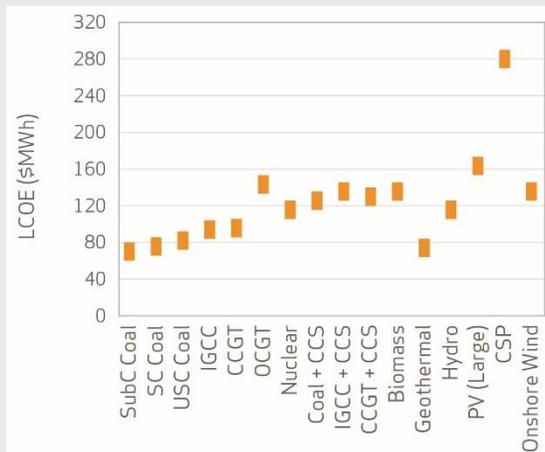


Broad agreement between respected agencies on global energy demand projections

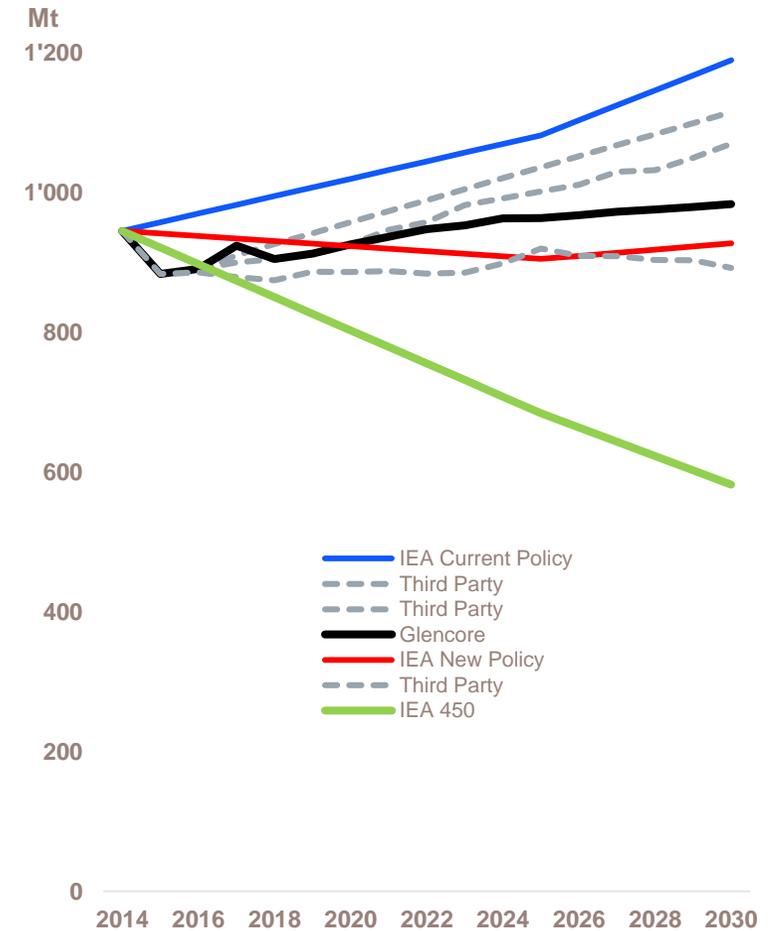
Glencore's thermal coal demand outlook more conservative than others

LCOE for base load power continues to favour coal Asian markets

Levelised costs for Asian electricity 2020

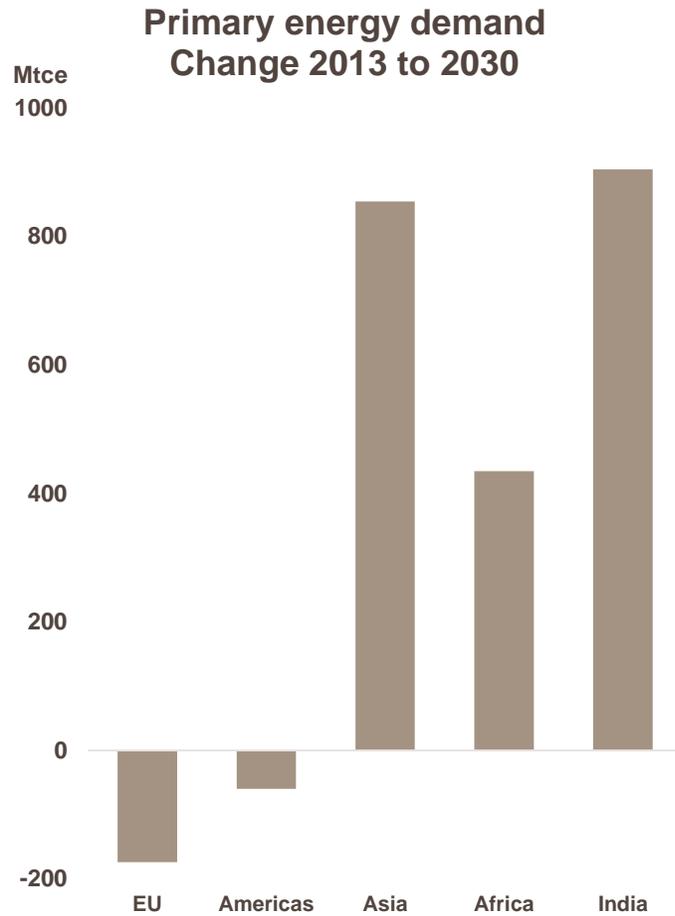


Seaborne Thermal Coal Demand Forecasts



Source: IEA WEO 2016, WEC Scenarios to 2060, ASEAN's Energy Equation: 2017
 Btce : billion tonnes of coal equivalent – standardised coal quantity using coal with energy content of 7000kcal/kg or 29.31 GJ/t
 Converted to metric tonnes based on global average coal energy of 4850kcal/kg nar

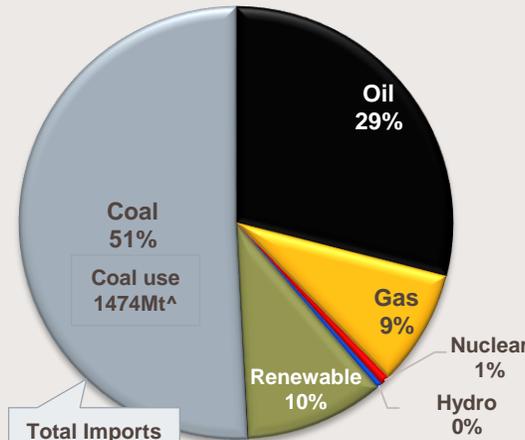
Distribution of change in energy demand to 2030



Developing economies drive energy and baseload power demand

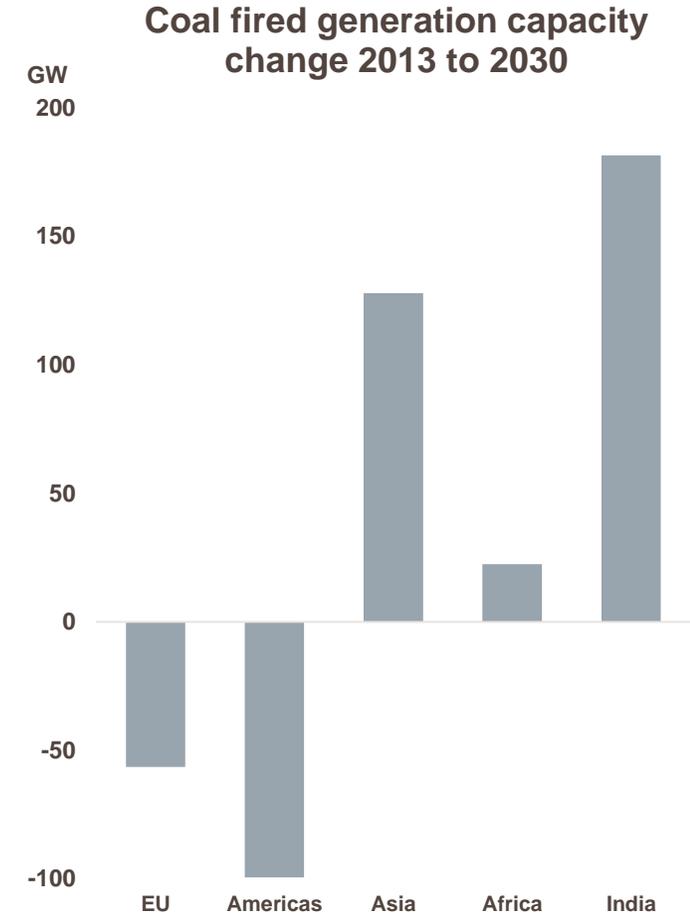
Asia remains largely dependent on seaborne traded coal to meet electricity and industrial demand requirements

**India Primary Energy
2030 Target# 1878 Mtce**



Coal use
1474Mt[^]

Total Imports
range 33 - 34%
or ~415Mt[^]



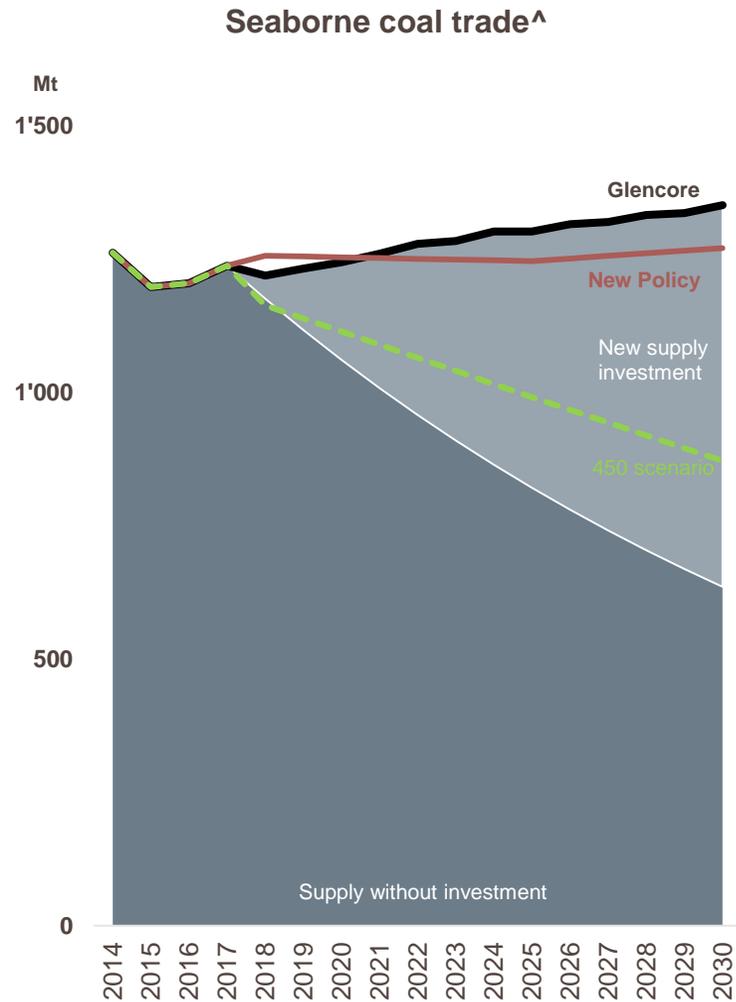
Sources: IEA WEO 2016

A Report on Energy Efficiency and Energy Mix in the Indian Energy System (2030) Using India Energy Security Scenarios, 2047

[^] coal volume adjusted to reflect energy content; domestic @ 4203kcal/kg and imports at 5430kcal/kg based on 2001/4/15 data

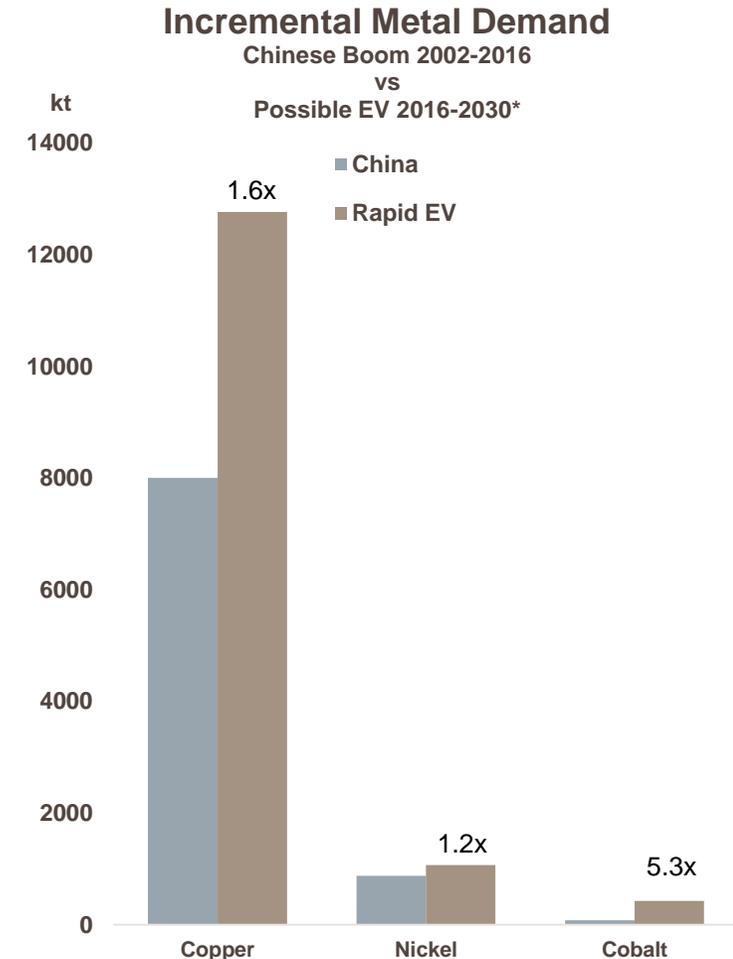
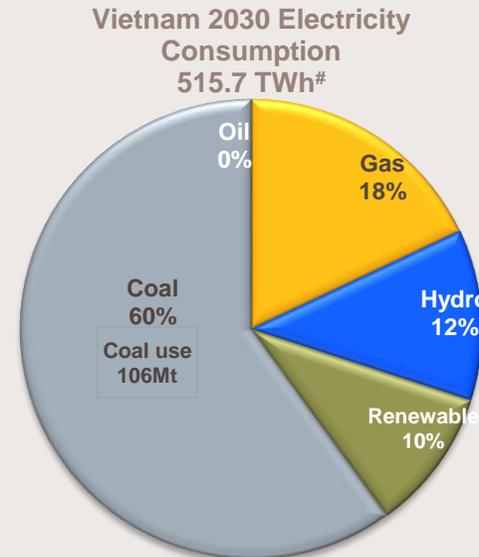
- coal burn adjusted to reflect improvement in plant efficiency from 30% to 40%

The electric revolution needs our commodities



Electrification of our economies drives the need for base load power and base metals;

- Low cost, large scale, 24/7
- Coal growth in Asia offset by declines in USA and EU
- Metals demand potential exceeds the China boom



Sources: # Vietnam energy policy low scenario, trebling power demand, 3.5x greater coal imports

^ Glencore + IEA WEO 2016

* Bernstein European Metals and Mining, 12 Mar 2017, *The Electric Revolution, Investing in the car of the future.*

Glencore portfolio resilience analysis

BUSINESS UNIT (2016 EBITDA CONTRIBUTION)	SCENARIO	OUTLOOK	IMPACTS UNDER AMBITIOUS ACTION SCENARIO
Copper 31%	Delayed Action	↑	Marketing attractiveness is robust and demand growth improves as climate action is globally coordinated driving electrification of energy and transport systems. Increased demand supports low cost incumbents as prices rise to reflect the need for investment in lower yielding ore bodies.
	Committed Action	↑	
	Ambitious Action	↑	
Marketing 28%	Delayed Action	↑	Marketing and trading margins not impacted by climate initiatives. Remains core to Glencore's business model and differentiates Glencore from its peers.
	Committed Action	↑	
	Ambitious Action	↑	
Zinc 18%	Delayed Action	↑	Demand growth for Zinc based on its anti-corrosive properties and use as an alloy to form materials that are used in automobiles, electrical components, and household fixtures will be supported by ongoing electrification, industrialisation and urbanisation.
	Committed Action	↑	
	Ambitious Action	○	
Seabourne Coal 13%	Delayed Action	↑	Seaborne traded coal differentiated from the broader coal market as ongoing investment in low cost coal based power generation across south east Asia supports seaborne demand. Glencore's competitive portfolio continues to generate acceptable returns.
	Committed Action	↑	
	Ambitious Action	○	
Nickel 4%	Delayed Action	↑	Marketing attractiveness is robust and demand growth improves as climate action is globally coordinated driving electrification of energy and transport systems. Increased demand supports low-cost incumbents as prices rise to reflect the need for investment in lower yielding ore bodies.
	Committed Action	↑	
	Ambitious Action	○	
Ferroalloys 4%	Delayed Action	○	The high cost of carbon assumed under the Ambitious Action Scenario would potentially lead to the closure of some of South Africa's marginal ferrochrome producers, resulting in major job losses.
	Committed Action	○	
	Ambitious Action	↓	
Agriculture 1%	Delayed Action	↑	Agriculture maintains positive investment attractiveness under each of Glencore's scenarios.
	Committed Action	↑	
	Ambitious Action	↑	
Oil 1%	Delayed Action	○	Oil has a neutral investment attractiveness under each of Glencore's scenarios. We will continue to monitor any increase in carbon prices which may provide a driver for investment into emission reduction options to reduce our overall risk to the business.
	Committed Action	○	
	Ambitious Action	○	

- ↑ POSITIVE INVESTMENT OUTLOOK
- NEUTRAL INVESTMENT OUTLOOK, ONGOING MONITORING
- ↓ NEGATIVE INVESTMENT OUTLOOK

Projections of 'Delayed Action' or 'Committed Action' scenarios to 2030 remain supportive of our portfolio.

Natural depletion of existing mining operations requires new operations to be developed in more geologically challenging and geographically remote locations

Higher commodity prices are required to incentivise investment to offset a declining and aging asset base

Understanding the risks

- Assessment of risks and opportunities relating to climate change for our business aligned with recommendations of the Taskforce on Climate Related Financial Disclosure
- Results of the assessment will inform the development of a risk framework across the business

<i>Climate change risks</i>	<i>Sample risk identification</i>	<i>Evaluating business impact</i>	<i>Identifying potential responses</i>
Government policy	Potential policy changes both positive and negative. Government energy policies, which directly or indirectly impact on costs.	Determine materiality for industrial and marketing regions.	<p>Identify and implement appropriate responses at Group and operational levels.</p> <p>➤ Incorporate into Group risk register and monitor implementation of mitigating actions.</p>
Energy costs	Projected price changes by operating region. Operating cost sensitivity by asset in affected regions.	Review potential energy cost impact on operating costs.	
Physical impacts	Change in rainfall patterns: floods; droughts; and storm frequency Storm surge impact on ports and critical infrastructure Temperature changes: heat stress; permafrost melt; and ice sheets Impacts on local communities	Review existing risk registers; where potential risks are identified but not currently included in risk registers, survey asset for current and projected impacts.	
Stakeholder perceptions	Negative perception resulting in impacts to permit approval, divestiture or cost of finance. Impacts on operating policy environment.	Determine policy and financial consequences for the business and operations.	
Market impacts	Potential impacts on existing commodity markets . New or increased opportunities for our products from emerging technologies and policy changes.	Determine how significant the potential impacts are (both positive and negative).	

Next Steps

- Monitoring of current and emerging policy trends and their impacts on our portfolio
- Refine our understanding of the challenges and opportunities related to climate change facing our business, and identify mitigating actions. This process will also help us identify appropriate KPIs and performance management incentives for our operations
- Build the Group marginal abatement cost curve to help us track and implement optimal carbon abatement options
- Continue to work with Glencore commodity departments on quantifying emission reduction and abatement opportunities across our business



Questions