

GLENCORE



**Annual General Meeting
19 May 2016**

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 2015.

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 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.

Delivering on early, decisive action

Softer 2015 performance in challenging market backdrop

- EBITDA^(1,2) \$8.7bn, -32%; industrial EBITDA \$6.0bn, -38%; marketing EBIT⁽²⁾ \$2.5bn, -12%
- Net income⁽³⁾ of \$1.3bn
- Solid cash flow generation with FFO of \$6.6bn and liquidity of \$15.2bn at year end

Rapid delivery of capital preservation/debt reduction measures

- Reduced Net funding by \$8.5bn to \$41.2bn; Net debt of \$25.9bn at 31 Dec 2015
- Reduced industrial capex by 31% to \$5.7bn⁽⁴⁾; reduced working capital by \$6.6bn
- Delivered asset disposal proceeds of \$1.1bn (+\$500M from precious metals streaming in Q1 16)



Notes: (1) Refer to basis of preparation on page 4 of Preliminary Results 2015. (2) Refer to note 2 of the financial statements for definition and reconciliation of Adjusted EBIT/EBITDA. (3) Attributable to equity holders pre-significant items of \$6.3bn; refer to significant items table on page 5 of Preliminary Results 2015. (4) Excluding marketing capex of \$244M (2014: \$269M) and Las Bambas \$961M in 2014.

Sustainability and governance

Safety

- Regrettably 8 fatalities from 2 events (10 fatalities from 7 events in 2015)
 - 2 fatal events both at “Focus Assets”
 - Katanga Copper Mine, 7 fatalities in the slope failure event
- Q1 LTIFR 1.17 (1.32 in 2015), 11% improvement
- Q1 TRIFR 4.55 (5.06 in 2015), 10% improvement
- Continued effort on ensuring leading practice input at our “Focus Assets”

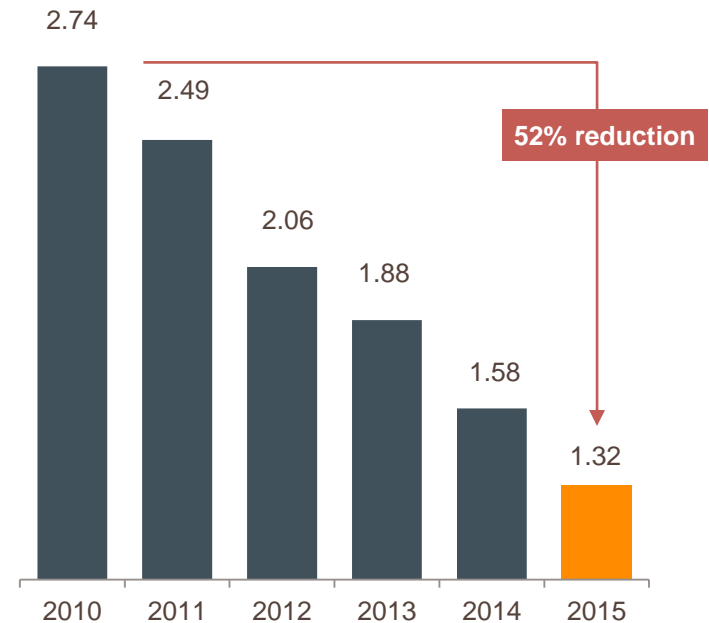
Governance

- Significant enhancements in our approach to sustainability and governance implemented in 2015, including Water Strategy, the Group’s HSEC strategy and corporate policies and our Crisis and Emergency Management Policy

External recognition and memberships

- Joined the Plenary of the Voluntary Principles on Security and Human Rights in late March
- ICMM, UN Global Compact, EITI, PACI (Partnering Against Corruption Initiative – World Economic Forum)

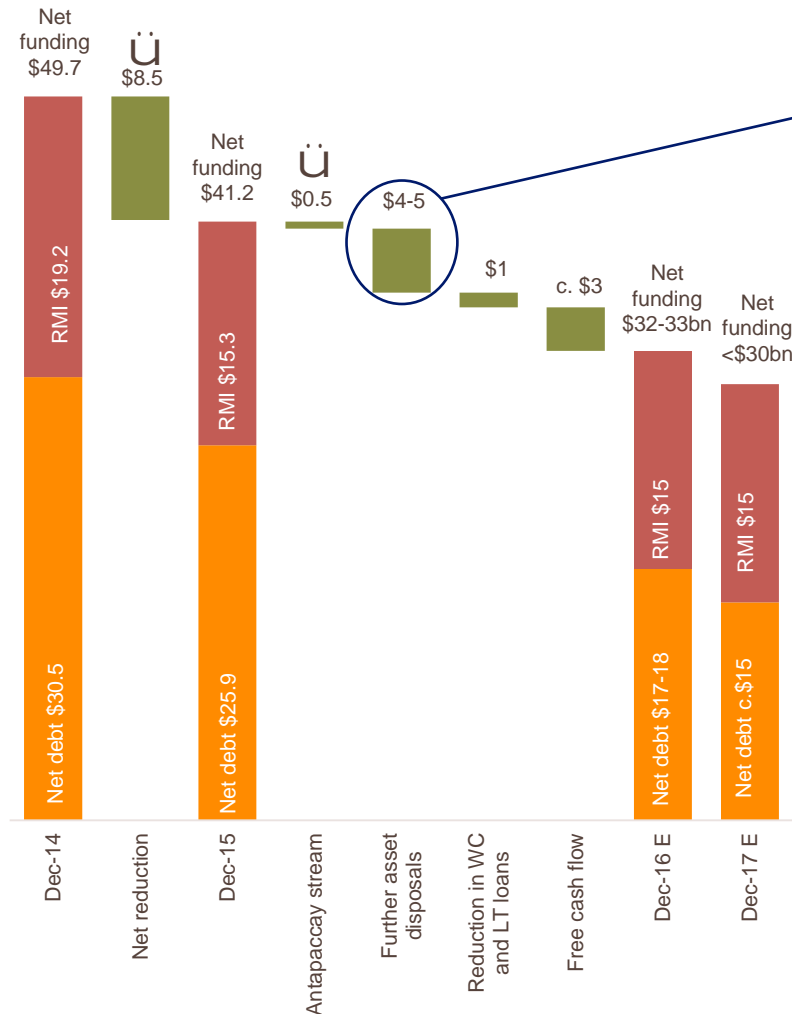
LTIFR⁽¹⁾ 2010 to 2015



Note: (1) Lost time incidents (LTIs) are recorded when an employee or contractor is unable to work following an incident. In the past Glencore recorded LTIs which resulted in lost days from the next calendar day after the incident whilst Xstrata recorded LTIs which resulted in lost days from the next rostered day after the incident - therefore the combined LTI figure is not based on data of consistent definition (historically, prior to merger). From 2014 Glencore records LTIs when an incident results in lost days from the first rostered day absent after the day of the injury. The day of the injury is not included. LTIFR is the total number of LTIs recorded per million working hours. LTIs do not include Restricted Work Injuries (RWI) and fatalities (fatalities were included up to 2013). Historic data has been restated to exclude fatalities and to reflect data collection improvements.

Repositioning our capital structure – asset sales on target

Debt bridge (\$bn)



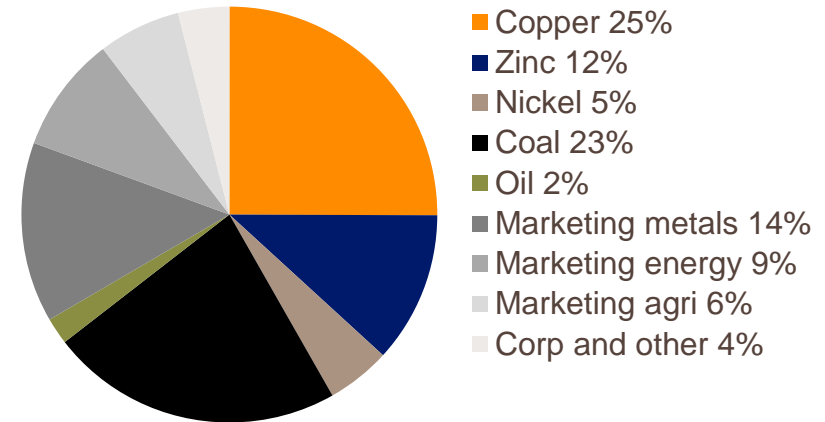
- **\$2.6bn of asset disposals announced in April 2016:**
 - \$2.5bn for 40% equity stake in Glencore Agricultural unit
 - \$100M for disposal of Komarovskoye mine in Kazakhstan
- **Completion of remaining sales processes expected this quarter – likely proceeds include a mixture of:**
 - Cobar and Lomas Bayas copper assets
 - Additional precious metals monetisation
 - G Rail infrastructure in Australia
- **Cash proceeds expected in H2**

- **Targeting 2016 Net funding and Net debt of \$32-33bn and \$17-18bn respectively**
- **We remain focused on preserving our investment grade credit ratings**
 - Targeting BBB+/Baa1 capital structure over the medium term
- **Scope and commitment to do more if required**

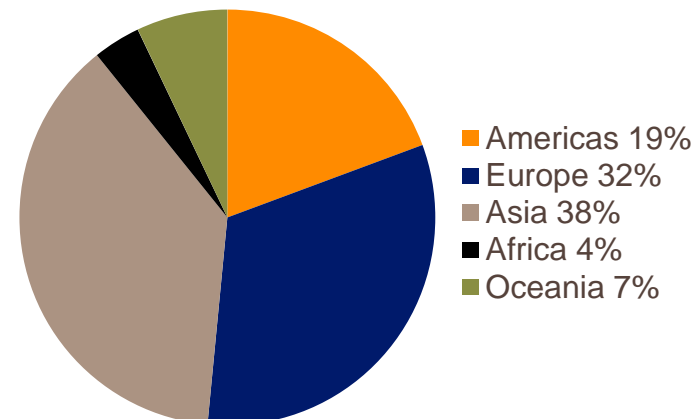
Prepared for current and even lower prices

- **Decisive management of our balance sheet and asset portfolio:**
 - repositioning our capital structure for a lower price environment – improvement to c.2x ND/EBITDA by year end
 - maximising cash flow from our suite of low-cost industrial assets
- **Earnings underpinned by our highly cash generative marketing business**
- **Free cash flow >\$3bn at spot prices⁽²⁾**
 - And we remain comfortably cash flow positive at materially lower prices
- **Our production cuts preserve the value of our resources for the future**
 - Significant low-cost optionality in the right price environment: +300kt Cu, +400kt Zn, +100kt Pb, +15Mt coal
- **Not all commodities are equal**
 - Our key commodities are in deficit or transitioning towards deficit

Earnings diversified by commodity⁽¹⁾ ...



... and geography



Notes: (1) Source: 2015 Annual Report, commodity segmented by EBITDA, geography segmented by destination of the sales counterparty (2) See notes from Preliminary results presentation 1 March 2016 on Slide 17 and Slide 12

GLENCORE



**Annual General Meeting
19 May 2016**