Introduction

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.

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Modern slavery has long-lasting impacts on affected individuals and communities around the world. Glencore rejects any form of modern slavery within our organisation and supply chain. We support the goal of reducing the number of individuals being exploited by others.

During 2018, we conducted a review to improve our understanding of the extent to which our assets are implementing Glencore’s Human Rights Policy, including an assessment of modern slavery risks, into their day-to-day operating practices.

In early 2019, we published our Supplier Standards, which are the foundation for enhanced supply chain due diligence throughout our business. Our Supplier Standards align with internationally recognised frameworks including the United Nations (UN) Guiding Principles on Business and Human Rights (Guiding Principles) and the Organisation for Economic Co-operation and Development (OECD), as well as our Code of Conduct and our Global Anti-Corruption and Human Rights policies. We are working with our commodity departments to embed the Supplier Standards into our contracting processes.

We published our 2018 Human Rights Report, our first standalone publication that focuses solely on human rights, in June. This report includes our work on determining our most salient human rights risks, in line with the UN Guiding Principles Reporting Framework. We identified labour rights, including slavery, forced labour, and child labour, as one of the six salient risks where the activities of our assets and business partners may result in the most severe negative impact on human rights.

This statement was approved by the Board of Glencore plc.

Tony Hayward
Chairman
28 June 2019
Business Model

We are active 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.

Inputs and resources on which our business model depends

Assets and natural resources
- Our resources and reserves are overall long-life and of a high quality, enhancing the scale and value of our marketing business
- We are a disciplined producer, seeking to align supply with demand and value over volume

Our people and partners
- We have established long-term relationships with a broad range of suppliers and customers across diverse industries and geographies
- c.158,000 employees and contractors spread across 90 sites/offices and six continents

Financial discipline
- We deploy capital in a disciplined manner, seeking to create value for all our stakeholders
- Our hedging strategies protect us against price risks and ensure that our marketing profitability is primarily determined by volume-driven activities and value-added services rather than absolute price

Unique market knowledge
- As an integrated commodity producer and marketer, we are uniquely positioned to generate value at every stage of the commodity chain

3 business segments, spanning the metals, energy and agricultural markets, producing 90 commodities from 150 sites

Exploration, acquisition and development
Our focus on brownfield sites and exploration close to existing assets lowers our risk profile and lets us use existing infrastructure, realise synergies and control costs.

Extraction and production
We mine and beneficiate minerals across a range of commodities, mining techniques and countries, for processing or refining at our own facilities, or for sale.

Processing and refining
Our expertise and technological advancement in processing and refining mean we can optimise our end products to suit a wider customer base and provide security of supply as well as valuable market knowledge.
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.

Our marketing business
We move commodities from where they are plentiful to where they are needed.

Logistics and delivery
Our logistics assets allow us to handle large volumes of commodities, both to fulfil our obligations and to take advantage of demand and supply imbalances. These value added services make us a preferred counterparty for customers without such capabilities.

Blending and optimisation
Our ability to blend and optimise allows us to offer a wide range of product specifications, resulting in a superior service and an ability to meet our customer specific requirements.

Our commodities in everyday products

Our procurement activities
With a presence at multiple stages of the commodity chain, our procurement activities cover the sourcing of 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 as well as regional and national suppliers.
Progress in 2018

Overview

During 2018, we progressed a number of initiatives to strengthen our oversight and understanding of human rights risks in our operations and our supply chain, these included:
• We developed Supplier Standards, which detail our expectations of suppliers and an enhanced risk-based due diligence process for industrial operations and marketing activities, to address responsible business sourcing.

• We are incorporating our Supplier Standards into our contracts with suppliers. This will include contractual obligations that recognise modern slavery risks, using a risk-based approach.

• Through our ongoing engagement with the OECD, we continue to share our experiences and knowledge of responsible sourcing. We also participated in the OECD’s Forum on responsible mineral supply chains, which provided an opportunity for multi-stakeholder dialogue.

• We participated in a multi-stakeholder advisory group led by the Swiss government to develop The Commodity Trading Sector: Guidance on Implementing the UN Guiding Principles on Business and Human Rights. This group supported the Institute for Human Rights and Business as it developed the sector guidance, which aligns with established frameworks, including that of the OECD and aims to encourage responsible trading. It outlines the expectations of companies with regard to human rights, including modern slavery.

• In August 2018, each commodity head from the industrial mining assets attended a human rights training session delivered by independent experts.

• In Australia, as part of the preparation for the introduction of its Modern Slavery Act, we conducted a workshop for our Australian-based procurement, sustainability and compliance teams, during which we reviewed our existing approaches and processes and agreed to an action plan to close the gaps.

We were active in the International Council on Mining & Metals (ICMM), an industry organisation, and are participants of its working group focused on updating industry guidance on grievance mechanisms. Grievance mechanisms are critical tools for helping us to identify risks of modern slavery. Our learnings from this working group led us to review and update our own approach.

We reviewed and updated our process for the internal reporting of social and human rights incidents, including those related to modern slavery, to ensure we are correctly capturing and investigating social incidents across the Group. The revised approach is more closely aligned with our health and safety incident reporting process.
Our approach

Overview

We do not tolerate any form of workplace discrimination, harassment or physical assault, or any form of child, forced, or compulsory labour. We respect the rights of our employees and contractors, including freedom of association and collective bargaining.

Further information on our key policies is available on glencore.com/who-we-are/governance
We are signatories to the UN 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).

Throughout our operations, we seek to avoid complicity in human rights abuses, and to uphold relevant international standards.

**Our policies**

Our policies and operational processes embed our commitment across our business to respect human rights. Our policies and operational processes align with the Guiding Principles and with the Sustainable Development Framework of the ICMM.

**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.

**Key policies and guidelines relating to human rights**

- Code of Conduct
- Group Human Rights Policy
- Community and Stakeholder Engagement Policy
- Health and Safety Policy
- Environmental Policy
- Supplier Standards
**Integrated management**

Our broad portfolio of assets has led to diversity in our geographical locations, working conditions, organisational cultures and workforces. Our global policy framework sets our expectations for behaviour and performance at site level. Each asset focuses on local challenges and opportunities through tailored approaches and action plans that are locally appropriate. Integrated management is critical for this approach. We expect each corporate function to embed respect for human rights.

**Our integrated approach to human rights**

- **Values**
  - Safety
  - Entrepreneurialism
  - Simplicity
  - Openness
  - Responsibility

- **Policies and Processes**
  - Demonstrate respect for Human Rights

- **Health**
  - Become a leader in protecting and improving the wellness of our people and communities

- **Leadership**

- **People**
  - Recognise and uphold the rights of our workforce

- **Communities**
  - Foster resilience of people in our communities and supply chain

- **Environment**
  - Minimise environmental impacts from our operations and apply the precautionary principle in decision-making

- **Business Ethics**
  - Maintain a culture of ethical behaviour and compliance throughout the Group
Grievance mechanisms: complaints and grievances on human rights impacts

We consider access to remedy to be a core aspect of our management of human rights. We operate grievance mechanisms at all our assets for our stakeholders.

As outlined in our Group Human Rights Policy, we require 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 assets to identify, acknowledge and address genuine operational-related grievances and complaints in a timely and effective manner.

Our Complaints and Grievance Guideline draws on external expertise and establishes key principles for consideration in the design and review of grievance mechanisms. The guideline ensures the alignment of our approach to the management of grievances with that of the Guiding Principles.

Our assets are required to report and appropriately investigate the grievances and complaints received. In 2018, a majority of complaints received through our grievance mechanisms related to our operational impacts such as air emissions and noise.

We encourage our suppliers to ensure their workforce and associated communities have access to grievance mechanisms for the confidential raising of concerns without fear of retaliation.
We require our assets to conduct risk assessments that address human rights concerns, including those relating to modern slavery. Where a risk of human rights violations is identified, a response strategy must be developed.
We regularly review the performance of our risk assessment framework. We recognise that while there are examples of best practice at some of our assets, 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.

Understanding our risks

To ensure our understanding of the potential risks within our supply chains is current, we continue to rely on external references and publications such as the Global Slavery Index (GSI) as guidance to our risk-based approach. We recognise the risks of forced labour, modern slavery, human trafficking and other labour standards violations within our supply chains.

We use the GSI to understand better the risks of modern slavery in our operating countries. Key to our understanding, is the GSI prevalence estimate. This estimate calculates the proportion living in modern slavery per 1,000 population:

<table>
<thead>
<tr>
<th>Glencore key operating country</th>
<th>GSI prevalence estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democratic Republic of Congo</td>
<td>13.71</td>
</tr>
<tr>
<td>Chad</td>
<td>11.98</td>
</tr>
<tr>
<td>Cameroon</td>
<td>6.87</td>
</tr>
<tr>
<td>Equatorial Guinea</td>
<td>6.36</td>
</tr>
<tr>
<td>Zambia</td>
<td>5.74</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>4.21</td>
</tr>
<tr>
<td>South Africa</td>
<td>2.80</td>
</tr>
<tr>
<td>Colombia</td>
<td>2.73</td>
</tr>
<tr>
<td>Peru</td>
<td>2.56</td>
</tr>
<tr>
<td>Italy</td>
<td>2.43</td>
</tr>
<tr>
<td>Spain</td>
<td>2.27</td>
</tr>
<tr>
<td>Bolivia</td>
<td>2.13</td>
</tr>
<tr>
<td>United Kingdom</td>
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</tr>
<tr>
<td>Germany</td>
<td>2.04</td>
</tr>
<tr>
<td>Switzerland</td>
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</tr>
<tr>
<td>Argentina</td>
<td>1.26</td>
</tr>
<tr>
<td>Chile</td>
<td>0.78</td>
</tr>
<tr>
<td>Australia</td>
<td>0.65</td>
</tr>
<tr>
<td>Canada</td>
<td>0.48</td>
</tr>
</tbody>
</table>

The GSI does not categorise any of our operating countries at the highest end of its prevalence scale. Our operating countries with the highest prevalence of modern slavery are the Democratic Republic of Congo and Chad. We are committed to preventing the occurrence of modern slavery and human trafficking in our assets and supply chains, regardless of their locations.

Further details on the GSI and the methodology it uses to calculate estimates is available at: [www.globalslaveryindex.org](http://www.globalslaveryindex.org)
Our supply chain includes the provision of goods, materials and services to support our presence at multiple stages of the commodity supply chain.
Customers around the world, and across numerous industries, are increasingly seeking assurance that supply chains do not have any links to human rights abuses.

We work with relevant stakeholders to encourage responsible sourcing. We recognise that there is the potential for risks relating to human rights, including modern slavery, conflict and corruption to exist within our supply chain.

The global relationships we have developed with our key suppliers mean that we have a reliable supply of the products we buy, and can offer them competitively. We try to minimise the inventory and working capital held within our supply chain.

We strive to maintain a culture of ethical behaviour and compliance throughout our business.

**Supplier due diligence**

Our Supplier Standards detail the expectations we have for all of our suppliers and draw on internationally accepted standards, as well as our Code of Conduct and our Global Anti-Corruption and Human Rights Policies.

Through our Supplier Standards we demonstrate our commitment to operating in accordance with strong ethical principles and set out our expectations on our suppliers ensuring that their conduct conforms to these principles.

Our Supplier Standards set out the following expectations that are specifically relevant to modern slavery:

- Offer fair remuneration
- Respect the rights of the workforce to freedom of association and collective bargaining
- Provide a safe and healthy working environment
- Respect human rights and the UN Guiding Principles, demonstrated by policies and processes appropriate to their circumstances
- Respect the ILO Core Labour Standards

We expect our procurement teams to communicate our Supplier Standards to their suppliers; the Supplier Standards will be incorporated, by reference into all supplier contracts. Where appropriate, the requirements of the Supplier Standards are supported through communication and training particularly around health and safety at the workplace.

We undertake appropriate due diligence of our current and potential suppliers, using a risk-based approach:

- During pre-qualification, the tendering process, or at the renewal of an existing contract term we conduct risk assessments of our suppliers
- On the basis of the risk assessment, suppliers may be required to complete a self-assessment against the Supplier Standards
- In some instances we may conduct further due diligence, including the use of third party verification
- Suppliers are expected to cooperate in the investigation and assessment of potential or adverse impacts and provide Glencore access to relevant information on reasonable request

If an unacceptable level of risk is identified, we work with the supplier to determine appropriate corrective action. We, and the affected supplier, monitor the corrective action until both parties agree the desired outcome has been achieved.

At all times we reserve the right to suspend, discontinue or terminate relationships with suppliers when we have reason to suspect or can identify that the supplier:

- Is in breach of the law, or
- Refuses or fails to demonstrate reasonable and timely efforts to implement agreed corrective actions required to operate in accordance with our Supplier Standards.
Supporting local procurement

We are committed to local procurement and use local suppliers whenever commercial, technical and capability considerations are equal to a regional or international supplier.

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.

During 2018, 74% of our global procurement spend for our industrial activities was with suppliers and contractors local to the countries where we operate.

Raising concerns programme

Everybody working for Glencore, including suppliers, must promptly raise any situations in which the Glencore Code of Conduct, its underlying policies, including the Human Rights Policy, or the law appears to be breached with a supervisor or manager or with a procurement contact.

Where a concern remains unresolved through these local channels, or if the reporter feels uncomfortable utilising the local channels to resolve their concerns, the concern can be raised via our Raising Concerns web platform at glencore.com/raising-concerns. The website allows any stakeholder to raise concerns on an anonymous basis.

Additionally, there are toll-free numbers for raising concerns which are published on the Raising Concerns website.

Glencore will not tolerate retaliation for reports made in good faith.

We did not receive any modern slavery complaints during 2018 through our operational grievance mechanisms or the Raising Concerns programme.
Supporting increased supply chain transparency

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 support transparency in the supply chain and engage with a broad range of stakeholders to encourage responsible commodity sourcing. Through our role in industry associations, we volunteered to pilot a number of responsible sourcing initiatives, which address a broad range of supply chain risks, including modern slavery.

During 2018, our activities included:

- Participation in the OECD’s forum on responsible mineral supply chains. We are integrating its learnings into our supply chain due diligence programmes
- Engaging with the Responsible Mineral Initiative to better understand assurance processes
- Providing feedback to the London Metal Exchange’s (LME) draft position paper, which recommends a new approach to the responsible sourcing of metals by listing brand names
- Being a core taskforce member for the Cobalt Institute’s development of its Cobalt Industry Risk Assessment Framework (CIRAF) for the production of cobalt, running the first desktop pilot study
- Implementing the recommendations of the London Bullion Market Association’s (LBMA) responsible sourcing programme at our assets producing LBMA Good Delivery Silver.

In 2018, we continued our engagement with our European customers, governments and NGOs, holding a number of meetings providing an overview of our coal business, its sustainability performance and key challenges.

Representatives from our coal business participate in Bettercoal’s advisory committee. During the year, Prodeco completed the onsite Bettercoal assessment. The assessment concluded that Prodeco ‘meets expectations’ for 14 indicators and ‘substantially meets’ expectations for 17 indicators.
Training and capacity building

Overview

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 assets.

In 2018, 33,944 employees and contractors completed e-learning on our Code of Conduct, including guidance on how to raise concerns.
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, those employees that have a responsibility to ensure the implementation of human rights, such as those in the security functions at some of our assets, are required to undergo further training aligned with international human rights standards.

In Australia, in response to the introduction of similar modern slavery reporting requirements, we conducted a workshop for our Australian-based procurement, sustainability and compliance teams, during which we reviewed our existing approaches and processes and agreed to an action plan to close gaps.

During the workshop, the Walk Free Foundation gave an overview of the presence of modern slavery in supply chains, KPMG presented a gap analysis between our existing processes and the anticipated legislative requirements and two of our Tier 1 customers provided details on the steps they are taking to monitor their procurement activities.
Next steps

This statement outlines the steps we take to ensure modern slavery does not occur within our organisation or supply chain. We believe that through our policies and processes we have set the foundation to embed respect for human rights across our business.

We will continue to engage with our stakeholders on modern slavery and look to identify further areas of improvement. Meanwhile we are progressing the following activities to advance our performance:

- Continue the implementation of our Supplier Standards across our business. The rollout will be accompanied by a training programme for our teams to support their work and to support its incorporation into contracting processes.
- Refresh our training programme to increase awareness of human rights, the risks of modern slavery, and the steps our workforce can take to minimise those risks.
- Complete the group-wide implementation of our revised process for the internal reporting of social and human rights incidents and deliver bespoke training.
- Conduct a targeted review of local grievance mechanisms to ensure they are accessible and managed appropriately.
- Continue our participation in multi-stakeholder groups to progress our knowledge on responsible sourcing.
Important notice regarding compilation of report

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 assets, prospects, financial condition and discussions of strategy.

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