

GLENCORE

# Our commitment to addressing modern slavery

Modern Slavery Statement 2021



## Introduction

Glencore plc is committed to preventing the occurrence of modern slavery and human trafficking in our operations and supply chains. Our 2021 Modern Slavery Statement serves as a voluntary Statement under the UK Modern Slavery Act 2015 (UK Act) and a joint Statement under the Australian Modern Slavery Act 2018 (Cth) (Australian Act).<sup>1</sup>

For the purposes of this Statement, we have considered the definitions of modern slavery in both the UK and Australian Acts, which cover various forms of exploitation including:

- slavery, servitude and forced or compulsory labour;
- human trafficking;
- sexual exploitation and forced marriage;
- child labour;
- deceptive recruiting practices; and
- debt bondage.

## Board approval

This Statement has been approved by the Board of Glencore plc and is signed on its behalf by Kalidas Madhavpeddi, Chair of the Board, on behalf of all Glencore Group reporting entities under the UK and Australian Acts.



**Kalidas Madhavpeddi**  
Chairman  
30 June 2022

## Progress during 2021

Initiated the development of a Group Responsible Sourcing Policy and Standard, Supplier Code of Conduct and a Supply Chain Due Diligence Procedure for Metals and Minerals.	Rolled out our Group Human Rights and Social Performance Policies, supported by technical webinars to communicate the expectations and requirements.	Undertook supply chain due diligence risk assessments, aligned with OECD Due Diligence Guidance Annex II risks across our zinc, copper, cobalt and nickel operations and supply chains.
Reviewed and updated our tool that identifies conflict and high-risk areas based on risks relating to human rights, conflict, and good governance.	Implemented our Group Social Performance Standard, which requires industrial assets to develop a system to receive, investigate, respond and provide remedy for social performance issues.	Implemented our Group Contracting Standard, which requires the inclusion of clauses in our contracts with our metals and minerals suppliers regarding compliance with our relevant supplier standards and provides guidance on how to negotiate such clauses.

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Find out more  
[glencore.com/sustainability](https://glencore.com/sustainability)

<sup>1</sup> As discussed in the Board Approval section, Glencore plc approves this Statement on behalf of its reporting entities under the Australian Act, listed at "Additional Information" below.

## Chief Executive Officer's introduction

# Committed to preventing modern slavery



Gary Nagle, Chief Executive Officer

I am pleased to introduce our 2021 Modern Slavery Statement. Our annual Statement sets out our approach, the steps we have taken and are taking, and our commitment to address risks of modern slavery in our organisation and supply chains.

Modern slavery is a global concern with long-lasting impacts on affected individuals and communities. At Glencore, we are committed to preventing the occurrence of modern slavery and human trafficking in our operations and supply chains. We do not tolerate child labour, forced, compulsory or bonded labour, human trafficking or any other form of slavery and actively seek to identify and eliminate these practices from our supply chains.

We set out our zero tolerance for modern slavery in our Code of Conduct, Supplier Code of Conduct and Group Human Rights Policy. We are signatories to the United Nations' Global Compact, a set of principles covering human rights, labour, environment and anti-corruption. We operate in accordance with local laws and relevant international frameworks, including the Core Conventions of the International Labour Organization.

We recognise our responsibility to work collaboratively with our business partners, workforce, and external stakeholders to reduce the risks of modern slavery in our operations and supply chains. In addition, consumers are increasingly scrutinising the supply chains of the products they purchase, and we continue to strengthen the measures that we take to provide our customers with assurance that the materials they buy are produced sustainably and ethically. Finally, by

taking action to identify and mitigate modern slavery risks, we are also mitigating the risk of related operational disruption that our business could face from the identification of modern slavery.

In relation to modern slavery, our Supplier Code of Conduct sets our requirement for our suppliers to have zero tolerance for any form of modern slavery, forced labour or child labour in their operations and supply chains. Building on our 2019 Supplier Standards, our Supplier Code of Conduct, launched in June 2022, sets our expectation that our suppliers share our commitment to ethical, safe and responsible business practices and support our Values.

We continue to identify and mitigate the potential risks of modern slavery within our operations and workforce through implementing and auditing adherence to relevant Group policies and standards, human resource practices and respecting and upholding human rights. We consider the modern slavery risks within our supply chain, particularly in our procurement activities for goods and services from suppliers and our sourcing of commodities from third parties.

Risks relating to modern slavery in our supply chain are an important area of focus for the Board who oversee our work on identifying and addressing risks in the Board HSEC Committee.

We are committed to responding to the challenges posed by our presence in jurisdictions considered to have an increased risk for modern slavery, such as the Democratic Republic of the Congo. If we

identify either a high-risk supplier or the risk of modern slavery in our supply chains, we engage with the affected suppliers to improve their practices and safeguards. If these actions do not bring about sufficient change, we end the relationship.

We strive to contribute to the communities wherever we operate through providing employment opportunities and supporting local businesses. Our procurement strategies are developed locally to reflect the diverse environments in which we operate. Within the context of these procurement strategies, we work with local suppliers to communicate our expectations and build understanding of our requirements.

At Glencore, our Purpose is to responsibly source the commodities that advance everyday life. We are committed to delivering our Purpose in a manner that respects the rights of our workforce, communities, those involved in our supply chains and stakeholders affected by our business.

Gary Nagle  
Chief Executive Officer  
30 June 2022

## UK and Australian Modern Slavery Act Statement

This is our fifth Statement under the UK Act and our second under the Australian Act. It describes the activities we have undertaken to strengthen our processes and better understand and address the risks of modern slavery and human trafficking in our operations and supply chains during both Acts' reporting periods (1 April 2021 to 31 March 2022 for the UK Act and 1 January to 31 December 2021 for the Australian Act).

The table below maps the recommended reporting criteria for UK Modern Slavery Act (2015) statements to the mandatory criteria required by the Australian Modern Slavery Act (2018).

UK Modern Slavery Act recommended reporting criteria	Australian Modern Slavery Act mandatory reporting criteria	Section
	Identify the reporting entities	Additional Information
The organisation's structure, its business and its supply chains	Describe the structure, operations and supply chains of the reporting entity	Structure and operations of our business Our supply chains
	Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls	Identifying and assessing risks of modern slavery in our operations and supply chains
The organisation's policies in relation to slavery and human trafficking	Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes	Addressing risks of modern slavery in our supply chain
The organisation's due diligence processes in relation to slavery and human trafficking in its business and supply chains		
The organisation's training and capacity building about slavery and human trafficking available to its staff		
The organisation's effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate	Describe how the reporting entity assesses the effectiveness of such actions	Measuring our effectiveness and performance
	Describe the process of consultation with: (i) any entities that the reporting entity owns or controls; and (ii) in the case of a reporting entity covered by a statement under section 14—the entity giving the statement	Consultation
	Include any other information that the reporting entity, or the entity giving the statement, considers relevant	Next steps

## Structure and operations of our business

We are one of the world's largest global diversified natural resource companies and a major producer and marketer of more than 60 commodities. Through our network of businesses, customers and suppliers that spans the globe, we produce, process, recycle, source, market and distribute the commodities that enable decarbonisation while meeting the energy needs of today. We have a presence in over 35 countries in both established and emerging regions for natural resources. Our industrial activities are supported by a global network of more than 30 marketing offices.

### Where we operate

- Head Office
- Industrial assets
- Marketing office/other



One of the world's largest natural resource companies

6	35	c135,000	>40
continents	countries	employees and contractors	offices

## Our business model

### Inputs and resources on which our business model depends:

#### Assets and natural resources

- Many long-life and high-quality assets
- Value over volume approach
- Embedded network and knowledge in Marketing operations

#### Our people and partners

- Established long-term relationships with customers and suppliers
- Major employer with c.135,000 people globally

#### Financial discipline

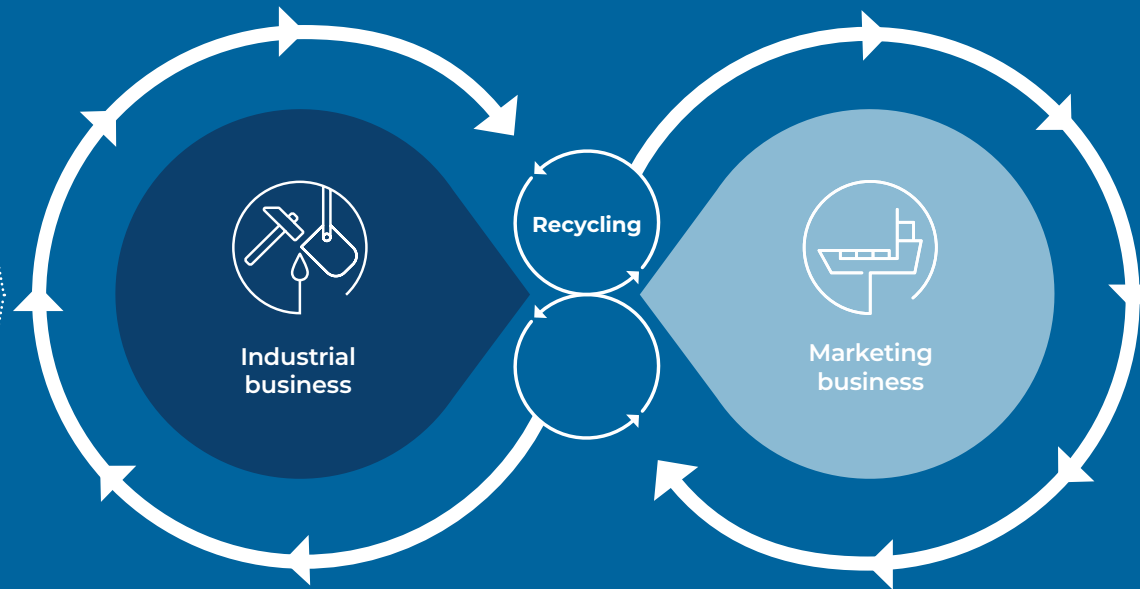
- Capital deployed in disciplined manner
- Marketing hedges out the majority of absolute price risk
- Marketing profitability driven by volume-driven activities and value-added services

#### Unique market knowledge

- Finding value at every stage in the commodity chain

Our industrial business spans the metals and energy markets, producing multiple commodities from over 65 assets

We move commodities from where they are plentiful to where they are needed



### Outputs and impact on key stakeholders:

#### Investors

**\$21.3bn**

2021 Adjusted EBITDA

**\$13.1bn**

Equity free cash flow (FFO less net purchases of property, plant and equipment and dividends to minorities)

#### Our people

**11%**

Reduction in Total Recordable Injury Frequency Rate

#### Climate change

**5%**

Reduction in total emissions versus 2020

#### Payments to governments

**\$7.6bn**

### Industrial assets

We refer to our production facilities as 'industrial assets', which means an operation involved in the extraction, production or processing of minerals and metals and energy products for sale or further processing.

We mine and beneficiate minerals across a range of commodities (including coal, copper, cobalt, nickel, zinc and lead, ferroalloys and oil) and countries (including Australia, Canada, Chile, Colombia, Germany, Indonesia, Italy, Kazakhstan, New Caledonia, Norway, Peru, Spain, the United Kingdom and the United

States of America), for processing or refining at our own facilities, or for sale.

Our industrial assets generally provide a source of physical commodities for the Group's marketing activities.

### Marketing

We are one of the world's leading marketers of physical commodities. We have a global network of more than 30 marketing offices.

Our activities relating to the marketing and trading of commodities focus on sourcing a diversified range of physical commodities from third-party suppliers and from industrial assets in which we have full or part ownership interests.

These commodities are sold, often with value-added services such as freight, insurance, financing and/or storage, to a broad range of customers and industrial commodity end-users.

### Logistics

We handle large volumes of commodities with our logistics assets and capabilities, both to fulfil our obligations and to take advantage of demand and supply imbalances. Our network of assets, including warehouses, ships, storage, port facilities and commodity processing plants, allows us to transport commodities by sea, rail and truck and to store and process them. We also utilise transportation and infrastructure operated by third parties.

### Joint ventures

In addition to our own industrial assets, we have non-controlling interests in independently or partner-managed joint ventures (JVs). Independent management teams operate independently managed JVs. Along with our JV partners, we participate in board shareholder committees that take key strategic decisions and we use this participation to influence the independent management teams to adopt appropriate operational and governance standards that reflect those of Glencore and the other JV partners.

As part of our commitment to strong corporate governance and transparency, on our website we provide the beneficial ownership information of our [industrial joint ventures](#) and a [list of entities](#) where the Group owns more than 20% interest.



## Our supply chains

As a vertically integrated commodity supplier with a diverse commodity mix, our business is supported by multiple and varied supply chains which provide the goods, materials and services we need at different stages of our business. Our supply chains include multinational, regional, national and local suppliers. We define a supplier as any individual or organisation that provides, sells or leases materials, products or services directly to Glencore.

All sourcing undertaken by our the commodity departments must meet the requirements set out in relevant Group policies. We expect our suppliers to share our commitment to ethical, safe and responsible business practices. Where feasible, we leverage our business relationships, both as a company and via business organisations, and promote dialogue with other stakeholders to advance these commitments and industry best practice.

### Metals and minerals

Through our global network of offices, which include our head office, as well as corporate, marketing, and industrial offices, our marketing teams physically source commodities from our own industrial assets and from our global supplier base.

Our industrial assets process the minerals from their own mines and a limited number also directly source from third parties. The vast majority finished products are sold by our marketing offices to our customers around the world.

Industrial assets' suppliers by region



- Australia, New Caledonia and the Philippines
- DRC, South Africa, and Zambia
- North America
- South America
- Europe

### Goods and services

The sourcing of goods and services, other than metals and minerals, is managed by our commodity departments primarily for our industrial assets. Depending on the commodity and its geographical footprint, sourcing may take place at a centralised, regional or industrial asset level.

Suppliers to our industrial assets provide a wide range of goods, materials and services including contract workforce, equipment and technology to enable us to carry out our core industrial asset activities of exploration, extraction, production and processing. Across our industrial activities, our greatest spend is on fuel, electrical energy, maintaining and purchasing mining equipment, mining services, contract labour and transportation. Typically, contract terms are structured on an average of three years contract duration.

Around 80% of our global industrial assets' procurement for goods and services spend is with suppliers local to the countries where we operate. We use local suppliers whenever we can to provide our host communities with employment opportunities that support economic wellbeing and diversification. We work to support and promote businesses based close to our industrial assets to drive local economic diversification through the provision of finance, management expertise and advice, or work premises.

Where possible we consolidate at a central, Group or regional level procurement activities for goods and services for our industrial assets, such as fuels, power, explosives, transportation, equipment hire and maintenance services. This enables us to improve our leverage with suppliers and results in stronger governance and process standardisation. Examples of regional sourcing approaches adopted by the commodity departments include:

- Glencore Canada: a regional team supports the contracting of regionally common goods and services across the nickel, zinc and copper smelter industrial assets located in Quebec and Ontario
- Glencore Coal Australia: procures goods and services for our 13 coal industrial assets located in New South Wales and Queensland; and
- Copper Global Procurement: a Johannesburg hub supports procurement activities for our DRC copper industrial assets.

Glencore's Global Sourcing Team manages the Group's relationship with certain key goods and equipment suppliers, common to a larger cross-section of Glencore's global industrial activities, such as mining fleet, tyres, chemicals and reagents.

Glencore's industrial assets annual procurement spend on goods and services is around US\$23 billion.





# Addressing risks

## Identifying and assessing risks of modern slavery in our operations and supply chains

Our broad portfolio of industrial assets results in diversity in our geographical locations, our workforces, and the kinds of work our employees undertake. We are aware that the global nature of our supply chain and our presence in various jurisdictions around the world increases the risk of modern slavery occurring in our supply chains.

We recognise we have the potential to impact human rights directly through our operations, and indirectly through our relationships with business partners.

Risk management is one of the core responsibilities of the Group's leadership and it is central to our decision-making processes. We apply our risk management processes to to identify, assess and evaluate the risks of modern slavery in our operations and supply chains to ensure our human rights and responsible sourcing programmes are appropriately designed, tailored to our operating context and business needs, and that resources are adequately allocated.

Our risk management approach for modern slavery risks is founded on the United Nations' Guiding Principles on Business and Human Rights (UNGPs).

Glencore's modern slavery risks can evolve over time. Changes may arise from external factors, as seen over the last couple of years with the Covid-19 global pandemic and/or from internal factors such as entering a new commodity market or acquiring assets in a high-risk operating jurisdiction.

Our due diligence processes show that the potential risk of modern slavery varies across different commodities and different types of suppliers. Some of our industrial assets are in countries or regions with human rights, labour rights and corruption challenges. In addition, some of the commodities that our marketing business source have a higher risk of child and forced labour being present in their mining and processing supply chains. The transportation of our products can also expose our business to modern slavery risks.

### Internal risk identification and assessment

We use a suite of tools to assess and understand the modern slavery risks within our industrial assets, marketing activities and supply chains. These tools support systematic and consistent global risk profiling, as well as driving management responses to these risks. We conduct due diligence at our industrial assets and in our marketing activities to identify, prevent and mitigate human rights risks and impacts (including those related to modern slavery) across our business.

Our Group Human Rights Policy and Standard specifically cites the UNGPs as the anchor point for our commitment to respecting human rights. Both highlight that businesses may "cause", "contribute to" or "be directly linked" to practices harmful to human rights, including modern slavery (the "continuum").

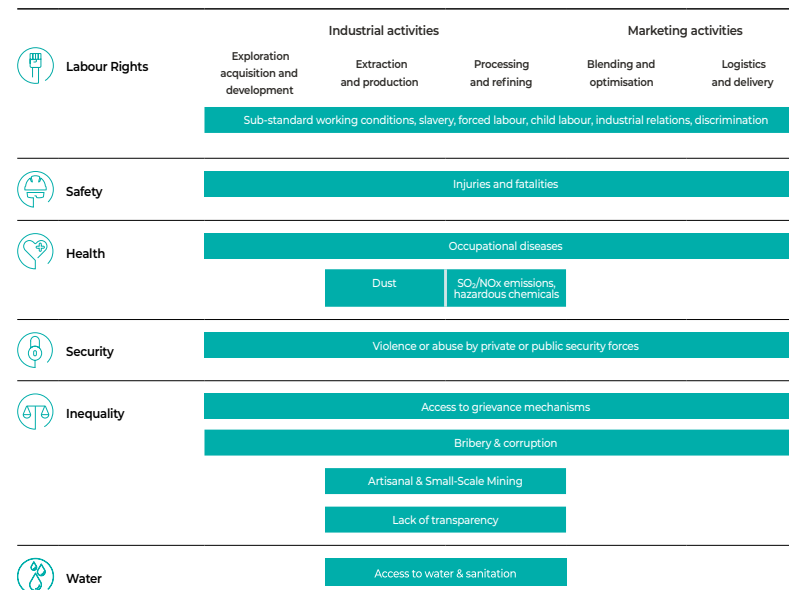
The guidance materials, designed to support industrial asset-level implementation of our Human Rights Standard, specifically references the UNGPs and the continuum

including decision trees and examples to build internal capacity and understanding of the continuum and its constituent elements as they relate to industrial asset level human rights due diligence.

We have identified six salient human rights risks across the Group that we may cause, contribute to or be directly linked to through our operations and supply chains: labour

rights, safety, health, security, inequality and water. These are set out in more detail in the graphic below:

How our salient human rights risks present across our business activities:



During 2022, we are undertaking a materiality assessment involving internal and external stakeholders to provide a perspective on Glencore's current and future sustainability landscape. The findings of this assessment may result in amendments to our salient human rights risks.

### External risk identification and assessment

We identify and assess risk within our supply chains using a multi-dimensional approach based on a combination of country and supplier activity risks. To support our identification of these risks, we have developed a supply chain risk assessment tool with the assistance of a third party specialist in the development of sustainability risk assessment tools within the metals and minerals industry.

The tool includes input from reputable, well-respected indices related to child labour, modern slavery, forced labour and human trafficking, labour rights violations, gross violations of human rights, conflict and corruption (including taxation or extortion). The tool combines these underlying indices with the indicative and non-exhaustive conflict and high-risk areas (CAHRAs) list produced by the European Union and the countries listed by the US Dodd-Frank Act.

This approach enables the rating of countries with significant governance weakness against those with a mix of governance strengths and isolated (but more severe) governance weakness. High risk countries for responsible sourcing are typically those in which governance failings compound each other.

The tool also incorporates high-risk supplier categories such as security services, transportation, facilities management, textile/garments/PPE and construction labour, among others, that we have identified as being particularly high risk for our operations.

We update the tool on an annual basis, to reflect movement in indices, changes in country circumstances, and feedback from the business and our due diligence processes as to high-risk categories of suppliers.

This tool will be used across the Group to assess risks when we conclude or renew contracts with suppliers and revise our risk-based due diligence approach accordingly.

Potential exposure to modern slavery	Associated modern slavery risk	Mitigation activities
<p><b>Location of suppliers of goods and services to our industrial assets</b></p> <p>Our industrial assets acquire a wide range of goods and services, other than metals and minerals, from suppliers that are diverse in size and location.</p> <p>(Relevant activities: exploration, acquisition and development; extraction and production; and processing and refining)</p>	<p><b>Supply chain location and category</b></p> <p>Our global risk assessment framework assesses human rights risk within our supplier base. The application of this framework identifies the countries which we consider as conflict-affected or high-risk areas, and higher-risk supply categories that typically rely on low-skilled labour (including security, catering, maintenance services, facilities management, textiles/ garments/PPE, and construction labour)</p>	<p>We undertake supply chain due diligence at our industrial assets to assess, identify and mitigate risks associated with higher risk locations and suppliers</p> <p>Our supplier due diligence approach seeks to achieve a balance between the country specific risks and the ability of local suppliers to meet our supplier due diligence requirements. Where required, we support small/medium-sized suppliers to meet these requirements – see 'Addressing risks of modern slavery in our supply chain' section.</p>
<p><b>Use of local suppliers of goods and services to our industrial assets</b></p> <p>Our industrial assets operate over 150 industrial sites in 35 countries. Some of the countries in which we operate lack strong governance, which may lead to an increased risk of modern slavery in the in-country suppliers used by our industrial assets.</p> <p>(Relevant activities: exploration, acquisition and development; extraction and production; and processing and refining)</p>	<p><b>Absence of local supplier market and labour regulations</b></p> <p>We are committed to local procurement and where possible use local suppliers, to minimise supply chain risk to our operations and support local development, whenever commercial, technical and capability considerations are equal to a regional or inter-national supplier. Local procurement teams manage most of the procurement for industrial assets. During 2021, around 80% of our global industrial assets' procurement spend was with suppliers local to the countries where we operate. However, in some of our operating regions, there is a lack of strong local businesses that can meet our requirements. In addition, in many countries, labour regulations may be weak or their enforcement inconsistent, which creates risk of non-compliance in those local businesses.</p>	<p>In higher-risk operating regions, 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 regards to conduct, including working practices and procurement procedures. We also encourage large international contractors to develop local partnerships to build capacity locally, resulting in employment opportunities and a transfer of skills.</p>
<p><b>Suppliers of third-party metals and minerals to our marketing business</b></p> <p>Our marketing businesses source commodities for and from the industrial assets that we fully or partly own, as well as from third-party suppliers.</p> <p>(Relevant activities: blending and optimisation)</p>	<p><b>Purchasing cobalt</b></p> <p>Glencore is one of the world's leading producers and marketers of cobalt, a metal in rising demand due to its use in batteries for electric vehicles and portable electronics. We produce cobalt mainly as a by-product of copper mining in the DRC, as well as from nickel mining in Australia and Canada. In the DRC, artisanal small-scale mining (ASM) is particularly prevalent near our operations where artisanal miners mine and process cobalt ore.</p> <p>While most of the cobalt we supply to the market is from our own operations, we also source some from a select group of third-party suppliers.</p>	<p>Recognising the specific supply chain risks for cobalt, in 2020 and 2021, we prioritised the roll out of our enhanced supply chain due diligence process to our cobalt purchasing activities. No significant adverse human rights impacts were identified – see Addressing risks of modern slavery in our supply chain' section.</p>
	<p><b>Artisanal and small-scale mining (ASM)</b></p> <p>Glencore purchases commodities from third parties in countries where ASM is common. ASM represents an important livelihood and income source for many poverty-affected populations around the world. As the sector is largely un-mechanised and informal, it often presents significant safety and human rights risks, including the participation of children and the use of forced labour.</p>	<p>Due to the link between child labour and ASM, we undergo independent assurance to demonstrate to our stakeholders in our value chain that our products do not contain ore sourced from ASM. Our engagement with those involved in ASM focuses on how ASM and large-scale mining can sustainably co-exist as distinct yet complementary sectors of a successful mining industry – see Addressing risks of modern slavery in our supply chain' section.</p>

Potential exposure to modern slavery	Associated modern slavery risk	Mitigation activities
	<p><b>Conflict minerals</b></p> <p>Conflict minerals are those where their extraction, trading, handling and export takes place in politically unstable areas and are used to finance non-state armed groups (including the use of child soldiers) and support corruption and money laundering. Conflict minerals are associated with severe human rights abuses, including unlawful killing, sexual violence, torture, forced and child labour.</p> <p>Currently, EU and US legislation identifies tantalum, tin, tungsten and gold, more commonly known as the 3TG, as conflict minerals. In 2021, as in previous years, Glencore did not produce, process or market any conflict minerals originating from conflict-affected and high-risk areas.</p>	<p>As part of our risk mitigation approach, we apply the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas 3rd Edition (“the OECD Guidance”) – see ‘Addressing risks of modern slavery in our supply chain’ section.</p>
<p><b>Multiple suppliers involved in the marketing of products</b></p> <p>(Relevant activities: blending and optimisation, logistics)</p>	<p><b>Procuring third-party products</b></p> <p>Our marketing business’s procurement is typically associated with shorter-term contracts, including buying or selling products such as metals, concentrates, acid and natural gas/LNG on the spot market. By its very nature, this has unique challenges for managing supply chain risk as products are frequently traded, changing hands multiple times or blended with other products from third-party suppliers. As a result, a product’s origin becomes difficult to ascertain.</p>	<p>Our Group Contracting Standard for our marketing business, aligns with the expectations set out in relevant Group policies and mandates the use of clauses for certain topics in contracts between our marketing offices and their counterparties.</p> <p>These clauses set out our expectations of our suppliers to comply with all applicable laws, rules and regulations. Going forward, our Supplier Code of Conduct will be incorporated by reference in prospective contracts with our minerals and metals suppliers, which is also a requirement of the OECD Guidance.</p> <p>To address country risk within our supply chains, we have developed a supply chain risk assessment tool with the assistance of an expert third party and with input from reputable, well-respected human rights, conflict, corruption, labour rights, modern slavery, forced labour and human trafficking and environmental risk indices. This risk assessment tool considers the CAHRAs list produced by the European Union and the countries listed by the U.S. Dodd-Frank Act. The tool identifies our list of CAHRAs when sourcing metals and minerals – see Addressing risks of modern slavery in our supply chain’ section</p>
<p><b>Contractor workforce</b></p> <p>At the end of 2021, Glencore employed over 81,000 employees and had nearly 54,000 contractors under its direct supervision.</p> <p>(Relevant activities: industrial activities)</p>	<p><b>Poor working conditions and underpayment of contract workers</b></p> <p>In some countries in which we operate, freedom of association, collective representation, collective bargaining and just compensation may not be enshrined in domestic law or may not be effectively protected by local regulatory bodies. In these countries, employees are more likely to be exposed to unsafe working conditions, lack of job security and underpayment.</p> <p>Due to the transitional nature of contractor agreements, contractors can also face higher modern slavery risks. This is particularly the case if they are low-skilled labourers, and their work takes them away from home.</p>	<p>Direct employees of Glencore are, as set out in more detail below in the section titled ‘Protecting our workers’ rights’, protected by our policies and procedures which mitigate risks of modern slavery practices in our operations.</p> <p>The companies providing contractor workers to our industrial assets undergo the same supply chain due diligence processes as our other suppliers. As there are relatively few contractors working under the direct supervision of our marketing offices, we do not consider modern slavery to be a material risk in this area. We have addressed modern slavery risks in our warehouses and transportation activities in the ‘Transportation and distribution’ section.</p>

Potential exposure to modern slavery	Associated modern slavery risk	Mitigation activities
<p><b>Transportation</b></p> <p>Our products move through the hands of many service providers, such as warehouses, land freight and shipping lines.</p> <p>(Relevant activities: logistics and delivery)</p>	<p><b>Transportation and distribution</b></p> <p>Freight, particularly seaborne freight, has been identified in reports produced by governments and NGOs as a sector with a higher risk of modern slavery as it employs lower-paid workers from developing countries, involves long periods at sea with little regulatory oversight, and often subjects crew to difficult working conditions. This risk was heightened during the COVID-19 pandemic where some workers on vessels were unable to leave their ships due to various ports not permitting disembarkation.</p>	<p>Our Access World warehouse business is wholly owned and operated by Glencore, where our Group policies apply. Our ongoing management of these facilities includes frequent visits.</p> <p>For independently operated warehouses, we initially undertake inspections and require the provision of information by the warehouse owner/operator.</p> <p>The transportation of our goods tends to be subcontracted to service providers. Our on-boarding process for these companies includes informing them of relevant Glencore policies, such as the Supplier Code of Conduct (previously, the Supplier Standards) and Group Human Rights Policy to support the suppliers' compliance with our requirements.</p> <p>For our own and independent joint-venture controlled fleet, which is chartered to Glencore, we have a direct relationship with the ship-manager and proactively engage on crew welfare and timely relief. During the last year, due to Covid-19 lockdowns, where needed, vessels diverted to a convenient port to facilitate crew change overs.</p> <p>While we do not employ crew directly on our time-chartered vessels, as a part of our supply chain due diligence, departments may seek to ensure that all vessels and ship managers are fully compliant with the ILO Maritime Labour Convention, 2006. In addition, we check the crew's tenure/time on board at the time of the fixture. If an owner of our chartered vessel requests assistance from us, we provide support where practicable and feasible.</p>
<p><b>Non-operated industrial assets</b></p> <p>Glencore has non-controlling interests in some industrial assets.</p> <p>(Relevant activities: extraction and production; and processing and refining)</p>	<p><b>Independently operated joint ventures (JVs)</b></p> <p>When we do not directly operate an industrial asset, there is a risk of working practices or procurement procedures not meeting our expectations.</p>	<p>Independent management teams operate our independently-managed JVs. Along with our JV partners, we participate in board committees that take key strategic decisions. We use this participation to seek to influence the independent management teams to adopt appropriate operational and governance standards, including those relating to modern slavery, which reflect those of Glencore and the other JV partners.</p> <p>As Glencore provides procurement services to the Hunter Valley Operations (HVO) coal joint venture in Australia under a services agreement, we implement Glencore procurement procedures at that industrial asset. While human rights policies and training for HVO employees are HVO specific, they are consistent with the equivalent policies and training adopted across the Glencore Australian coal industrial assets.</p>

## Addressing risks of modern slavery in our industrial assets and supply chain

Given the global span, length and complexity of our supply chains, we recognise that there is the potential for modern slavery risks to exist in our supply chains. To manage and mitigate these risks, we work with relevant stakeholders, including our business partners, to encourage responsible sourcing.

### Addressing risks in our industrial assets Global policy review and update

In 2020, we embarked on a comprehensive review of our entire Group policy framework. This was a collaborative, cross-functional project to develop and implement a streamlined and more consistent approach to policy governance at Glencore. In addition to re-evaluating our policy framework, we reviewed and refreshed our Group policies. This included refreshing our Human Rights Policy and the launch of a new Responsible Sourcing Policy in 2022.

The aim was to ensure Glencore's commitments, approaches and requirements are accessible to employees and relevant contractors in a simple, clear and concise fashion. Employees must be able to easily understand the behaviours expected of them. Our policies are accessible on our website and external stakeholders can stay informed of Glencore's approaches and commitments on matters of critical importance to them.

The Group policy framework, and supporting policies, standards, procedures, guidelines and operational processes embed our commitment to respect human rights and align with the UNGPs across our business. It considers the commitments we are required to meet through our membership and support for external organisations such as the UN Global Compact, International Labour Organization Declaration on Fundamental Principles and Rights at Work, the UNGPs, the Voluntary Principles on Security and Human Rights, and the ICMM's Performance Expectations.

Our employees and relevant contractors at our offices and industrial assets are expected to apply Glencore's Group policy framework, while also addressing local challenges and opportunities through tailored approaches and action plans. Integrated management is critical for this approach. We track our progress on implementing our policy framework through our internal assurance processes. In addition, we consider the complaints raised through both our Raising Concerns platform (see below) and our grievance mechanisms utilised by stakeholders living close to our industrial assets.

Our workforce accesses our policy framework, available in 12 languages, through various channels, including the Group and local intranets.

Our managers and supervisors are responsible for ensuring employees understand and comply with the policies, standards and procedures. Our group-wide roll out of our new policy framework included 59 technical webinars across our six commodity departments with department and industrial asset practitioners from across our business. The webinars covered our ten Group standards, which set out expectations and requirements for our industrial assets across key topics, including human rights and social performance. We are continuing to conduct targeted training sessions for our managers and workforce at industrial assets.

### Tracking implementation of the policy framework

The Glencore Board, through its Health, Safety, Environment and Communities (HSEC) Committee oversees our human rights activities which are embedded across the business. It reviews the executive summaries generated by our assurance of the technical and management standards that support the Group policy commitments. More details about the composition and role of the HSEC Committee are provided below in the Measuring our effectiveness and performance section.

We require each of our industrial assets to undertake an annual self-assessment on their

implementation of our Group HSEC& Human Rights (HSEC&HR) expectations. These self-assessments are reviewed by both the corporate HSEC-HR team and the internal audit function.

Our HSEC assurance for industrial assets processes includes an assessment of human rights risk, including modern slavery risks, within our organisation. They support Glencore's management's assessment of risk and provide assurance on key mitigation controls. It has three elements:

1. General risk management: throughout the Group, we use our risk management framework to identify hazards, particularly those with potentially major or catastrophic consequences, and to develop management plans for the related risks.
2. Self-assessments: our industrial assets complete annual self-assessments against Group HSEC&HR policies, standards and fatal hazard protocols. We use the results to drive performance and to identify gaps. The industrial assets establish action plans to address any identified gaps. As part of our annual sustainability data audit, our external auditor checks the work at some industrial assets for data accuracy and policy compliance.
3. Assurance: both our HSEC audit and internal audit functions undertake assurance activities at commodity department and industrial asset levels.

### Implementing our human rights risk rating tool

In 2020, we developed an innovative human rights rating tool to enable the consistent and systematic assessment of the human rights risk level across our global industrial asset portfolio. We developed the tool in consultation with internal and external human rights experts who helped identify country and local risk indicators for each of the Group's salient risks (labour rights, safety, health, security, inequality and water). The tool comprises 20 indicators from credible, international sources and 29 internal indicators from across our industrial assets.

The human rights rating tool was rolled-out to our industrial assets during 2021. The tool establishes an aggregated human rights risk profile for each industrial asset, comprising country and local level human rights risk evaluations. This outcome drives tailored asset-level responses to human rights risk evaluation and management and specifies minimum human rights management pathways. The tool has been incorporated into our Human Rights Standard issued in 2021. Industrial assets have until end of 2023 to address any human rights management gaps.

The tool has been incorporated into our Human Rights Standard. Concurrent with the launch of the Standard in September 2021, our industrial assets were required to review their self-assessments against the revised performance requirements. While there are pockets of excellence within our business, the self-assessments highlighted some gaps, most notably completion or update of human rights impact and risk assessments with associated management plans and monitoring. Industrial assets have until end of 2023 to address any identified gaps and align their operational performance with the Standard, paying particular attention to any country or local risks identified by the human rights rating tool.

### Case study

## Addressing site-specific risks

### **Our Kamoto Copper Company S.A. (KCC) and Mutanda Mining Sarl (MUMI) operations, located in the Democratic Republic of Congo, have recently commenced a comprehensive, Human Rights Impact Assessment and Due Diligence (HRIA/DD).**

Through our human rights rating tool, KCC and MUMI strengthened their evaluation of their site-specific risks, including those relating to modern slavery. The findings have, in turn, shaped the various elements of the HRIA/DD.

The project is being implemented in three phases over the course of 2022.

- Phase 1 comprises compilation and analysis of current and historical operational, regional, and country human rights context, including past risk assessments, governance and action planning.
- Phase 2 applies extensive internal and external stakeholder engagement. The internal engagement focuses on operational leadership and cross-

functional teams with concurrent capacity building and risk impact evaluation. The external engagement comprises comprehensive in-field consultation with affected parties, vulnerable persons and other stakeholders.

- Phase 3 comprises the development and integration of human rights management systems, action plans, and controls together with external stakeholder validation of findings, and processes for forward monitoring for effectiveness.

The resulting management plan will be reviewed regularly in line with the requirements of the Group Human Rights Standard.

During the implementation of the HRIA/DDA, internal training and capacity building will be undertaken with the KCC and MUMI management and operational teams to raise awareness and embed best practice human rights risk management.



### Protecting our workers' rights

Our Group Human Rights Policy sets out our commitment to respect the dignity and human rights of our workforce and our business partners, the societies in which we live and work, and all others who may be affected by our activities. We expect our business partners to share our commitment and we leverage our business relationships to advance human rights and supply chain due diligence process to encourage their alignment with our expectations.

We uphold the International Labour Organization Declaration on Fundamental Principles and Rights at Work. These rights are set out in our Group Human Rights Policy, which applies to all employees, directors and officers, as well as contractors under Glencore's day-to-day operational direction, working at a Glencore marketing or corporate office or industrial asset.

We recognise the rights of our workforce to a safe workplace, freedom of association, collective representation, collective bargaining, job security and development opportunities.

We foster transparent and collaborative labour relations and work hard to maintain robust relationships with local union representatives.

We promote fair recruitment and employment practices so that all work is voluntary and fairly compensated (as provided in the Group Human Rights Policy). We treat all our workers equally, with the same workplace practices for both our directly-employed workers and our contract workers under our direct supervision.

To prevent modern slavery in our workplaces we ensure our employees are paid in accordance with legal requirements, have contracts of employment and can leave their employment at any time, subject to notice periods. We also provide our employees and contractors under our direct supervision with regular training and access to a formal complaints or grievance process.

### Industrial relations

We are committed to working openly and in good faith with labour unions at all our locations and treating employees with respect. As unions play different roles at our industrial assets depending on geographical region and industrial sector, our industrial assets engage with unions active at their industrial sites in different ways and at different levels. As set out in our Group Human Rights Policy, we require our industrial assets to not interfere with the right to unionise and prohibit any form of intimidation or retaliation against employees seeking to exercise their rights to freedom of association, collective representation and/or collective bargaining.

Our industrial assets ensure that working hours are not excessive by monitoring rosters, shifts and other recording procedures, in compliance with local legislation and agreements with unions or works councils.

Our industrial assets hold regular meetings with union representatives to provide updates on safety, production and costs and discuss upcoming business challenges, opportunities, and risks to longer-term viability.

### Training

We conduct training for our employees and relevant contractors under our direct supervision to ensure that they understand the behaviour expected of them and provide them with guidance on the elements of the Group's policy framework. Our training programmes mix e-learning with face-to-face training. We tailor our training and awareness materials and make them relevant by including hypothetical scenarios illustrating how human rights dilemmas might manifest in employees' daily work. Our annual training on the Code of Conduct for employees includes a specific module on human rights applicable to our suppliers and contractors, including modern slavery.

New joiners receive training on our Values, Code of Conduct, and key compliance risks including how to raise concerns. Where regular access to a work computer is not available, employees and contractors under our direct supervision receive training in other ways, including induction sessions, pre-shift training and toolbox talks.

In addition to online and face-to-face training, awareness-raising activities and initiatives are key to reminding employees of the importance of ethics and compliance. Despite in-person activities and initiatives being heavily impacted by Covid-19, we have continued to develop awareness materials in the form of electronic guides, checklists,

newsletters, videos and intranet communications.

Participants from our marketing teams and employees and contractors under our direct supervision who are involved in procurement, purchasing, sales, trading, contracting, contract management and other relevant functions, receive training to support their understanding of due diligence in minerals supply chains, the adverse human rights impact associated with sourcing, handling, processing, transporting of minerals through CAHRAs, the elements of the OECD Guidance's five-step approach due diligence, as well as their roles and responsibilities for implementation for a robust due diligence.

As part of our supply chain due diligence process, our regional teams include modern slavery in their discussions on broader human rights issues through various mechanisms including regular compliance updates.

In mid-2022, we are holding a human rights workshop to support our industrial assets' implementation of the Group Human Rights Standard and to strengthen consistency in human rights risk management. It will also include a module on modern slavery. The workshop participants will include

representatives from our community and human rights, supply and procurement, environment and human rights teams.

Our Code of Conduct and policies require employees and contractors to speak openly and raise concerns about possible breaches of our Code of Conduct, policies or the law. We do not tolerate retaliation against anyone who speaks openly about suspected misconduct, even if the concern is not substantiated.

**Complaints and grievances on human rights impacts**

We consider access to remedies to be a core aspect of our management of and respect for human rights.

We require all our industrial assets to operate local grievance mechanisms for our stakeholders that are legitimate, accessible, predictable, equitable, transparent and rights-compatible and in line with the UNGPs effectiveness criteria and the ICMM Handling and Resolving Local-Level Concerns and Grievances guideline. Our Group Human Rights Policy requires industrial assets that cause or contribute to an adverse human rights impact to provide or participate in

effective remediation. Our approach aligns with our commitment to the UNGPs.

These mechanisms provide an accessible channel for directly affected stakeholders to communicate their human rights concerns without fear of reprisals. These platforms enable our industrial assets to identify, acknowledge and address operational-related grievances and complaints in a timely and effective manner. We commit to investigating all complaints and grievances in a manner that respects the rights of the complainant. We require our local management teams to review and, where appropriate, investigate, the complaints and grievances received, as well as to consider trends over time. We require our industrial assets to conduct regular community perception surveys, which include questions on their grievance mechanisms.

Our corporate HSEC&HR team reviews the type and frequency of complaints and concerns made via our industrial asset-operated grievance mechanisms and our corporate-led Raising Concerns platform. When appropriate, further action is taken to

address reoccurring, high frequency or serious complaints.

In 2021 our industrial assets were tasked to review and strengthen the design and implementation of their local complaints and grievance processes to address any gaps or findings from the 2020 review, incorporate best practice recommendations from the learning webinars, and make the processes consistent with the requirements of the revised Social Performance and Human Rights Standards.

In addition to operating local grievance mechanisms, these standards require our industrial assets to develop a system to receive, investigate, respond and provide remedy for social performance issues, and implement a process for reporting complaints and grievances data, including trends, to industrial asset management at least quarterly.

The review found that further improvements are required to close gaps to effectively

implement complaint and grievance processes to facilitate meaningful and responsive engagement and to meet the UNGP effectiveness criteria and user expectations.

We are in the process of implementing the review's recommendations of simplifying and regularly reviewing and updating documents. We have also improved knowledge on complaints and grievance mechanisms through training sessions. We have developed a UNGP aligned complaints and grievance process template for local use and adaption.

In 2021, our local grievance mechanisms received 1,159 community complaints (2020: 1,272 complaints), none of which related to modern slavery.

We encourage our suppliers to ensure their workforce and associated communities have access to grievance mechanisms to raise concerns confidentially without fear of retaliation.

### Speaking openly and raising concerns

We have a comprehensive suite of documents that establish a framework for managing concerns, including our Whistleblowing Policy. This policy encourages whistleblowers to report concerns, explains the process for reporting, escalating, investigating, and remedying concerns, and makes clear that retaliation is absolutely prohibited, regardless of whether the reported concern is ultimately substantiated. Whistleblowers may include our suppliers and indirect suppliers.

We encourage whistleblowers to first raise concerns with relevant managers or supervisors as they are usually best equipped to resolve concerns quickly and effectively. Whistleblowers also have the option of reaching out to nominated whistleblowing contacts, who are typically members of senior management at the office or industrial asset.

If a concern remains unresolved or a whistleblower is uncomfortable using local channels, concerns can also be reported via our Raising Concerns Programme, our corporate whistleblowing programme, managed at our headquarters in Switzerland.

The Raising Concerns Programme allows whistleblowers to raise concerns anonymously in any of 15 languages, by internet or phone. Hotlines are available in most of the countries where we operate, and details are published on the platform's website and on posters at offices and industrial assets.

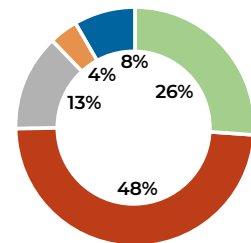
All concerns are taken seriously and handled promptly, using an objective, fact-based rationale. Concerns are investigated either by our corporate office in Switzerland, or locally,

depending on factors such as the nature and severity of the concern.

Where disciplinary action is taken, this depends in each case on the behaviour exhibited, the effects of that behaviour and the different disciplinary measures applicable to employees, contractors and other third parties on-site.

In 2021, the Raising Concerns programme received 426 concerns (2020: 413 concerns), of which 75% were raised anonymously (2020: 82%). As of January 2022, 308 of the 426 concerns were closed, taking an average of 30 days to close.

#### Type of concern



- Business Integrity – 110 (26%)
- HR – 206 (48%)
- HSEC-Human Rights – 57 (13%)
- Misuse, Misappropriation of Corporate Assets – 19 (4%)
- Others – 34 (8%)

## Adapting our approach to regional and local requirements

Our broad portfolio of assets results in diversity in our geographical locations, working conditions, organisational cultures and workforces. All supplier self-assessment questionnaires are translated into our Group languages (French, German, Spanish, Portuguese, Russian) and Mandarin Chinese, and industrial assets may choose to translate into additional languages based on their local supplier needs.

Beyond language, and in recognition of our diversity, certain regions or assets tailor the Group framework to meet their region-specific risks and/or local requirements.

For example, certain Australian industrial assets and all DRC industrial assets adopted an approach that requires all new suppliers, regardless of the product and/or service category they supply, to undertake supply chain due diligence as part of its contracting process. A further example is our Chinese sourcing office, which identified a need for more in-depth training and awareness material in China, over and above the training material already provided at a Group level. It develops and delivers locally-appropriate training for its Chinese suppliers.

While none of the HSEC&HR-related concerns reported to the programme were related to alleged modern slavery, we have on occasion been made aware of concerns by contractor workers working at our industrial assets of alleged failures by their employers to comply with relevant employment obligations. In these instances, we take steps to ensure that these obligations are met, including by addressing the concerns through dialogue between the relevant Glencore industrial asset management team and the contractor employer. Contractor workers may also be informed of their legal rights under local law, such as seeking the intervention of applicable labour tribunals to resolve any disputes with their employer.

## Strengthening our approach

In the reporting period, we developed a new Responsible Sourcing Policy that sets out our commitment to responsible sourcing, and due diligence, training, assurance and continuous improvement. To accompany the Responsible Sourcing Policy, we updated our Supplier Standards to account for new modern slavery and supply chain due diligence legislation and rebranded the document as the Glencore Supplier Code of Conduct. Underpinning the two policy-level documents, we drafted a Responsible Sourcing Standard that operationalises our commitments and embeds the supplier due diligence framework within the business.

We consulted extensively across the Group with regards to the development and drafting of these documents, principally via a cross-department working group of approximately 50 employees and additionally via numerous individual meetings with key internal stakeholders across all geographical regions and levels of the Group.

We piloted the new suite of documents and requirements at one of our DRC industrial assets. This is a high-risk region with significant local community procurement and enterprise development initiatives.

The trial involved piloting our draft updated goods and services due diligence questionnaire with all suppliers onboarded and undertaking five audits of identified high-risk suppliers against our updated requirements. We undertook the audits in two parts, initially through a desktop review and then a follow-up site visit.

The trial was overall positive. Following the trial, we updated the wording in the questionnaire to make it more user-friendly for small businesses and local enterprises. During the supplier audits, our suppliers provided the requested information, such as evidence of their policies, controls, training and other measures.

The site audits found some evidence of a limited implementation of these policies and controls. The affected suppliers agreed both to our findings and to implement specific corrective action plans to remedy the findings, as well as to receive training from Glencore on requirements. Follow up audits will monitor progress on implementation of the corrective action plans.

In addition to the amendments incorporated into the supplier questionnaire template as a result of the pilot findings, the pilot allowed us to more accurately gauge the resource requirements needed to effectively train and audit suppliers in accordance with our updated requirements. We have incorporated these learnings into our plan for rolling out our new Responsible Sourcing Standard Group-wide, to ensure that we are resourced appropriately to deliver on our commitments.

We are rolling these documents out across the global business in 2022.

### Due diligence for our suppliers

We have a comprehensive risk-based supplier due diligence framework for identifying and managing the risks associated with our suppliers, including selection, onboarding and monitoring, through to corrective actions and disengagement.

We allocate appropriate resources and assign clear roles, responsibilities and accountabilities within Glencore to implement this framework.

Specifically, for our suppliers of metals and minerals, we conduct due diligence in accordance with the 5-Step Due Diligence Framework defined in Annex I of the OECD's Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas 3rd Edition (the OECD Guidance).

Our due diligence processes address the supplier risks associated with compliance with laws, abuse of human rights (including equality, non-discrimination and diversity, respect for workers' rights of freedom of association, modern slavery, and child labour), health and safety, environmental impacts, and, where applicable, risks identified by Annex II of the OECD Guidance.

Our supplier risk assessment framework prioritises supply chain due diligence in five categories that we have identified as posing a higher risk to human rights: security services, transportation, facilities management, textile/

garments/PPE and construction labour. We continually monitor the effectiveness of our approach and refine it when needed.

In this reporting period, we updated our risk assessment methodology to incorporate an assessment of country risk as well as the five supplier categories listed above. Our approach to supplier due diligence seeks to achieve a balance between the country specific risks and the ability of local suppliers to meet our detailed supplier due diligence requirements. The updated methodology makes for a more multidimensional approach to identifying and measuring risk in our supply chain.

In relation to modern slavery, we require that our suppliers have zero tolerance for any form of modern slavery, forced labour or child labour (as defined by the International Labour Organization (ILO) in their operations and supply chains. We use the term zero tolerance to express that modern slavery has no business in our supply chain and where we find modern slavery, we will actively work to eradicate it. We recognise that this does not mean that we can guarantee that our supply chain is free from modern slavery, rather we commit to working to addressing modern slavery wherever we find it, a 'zero tolerance' approach.

Further, our suppliers must not provide employment to anyone under the national minimum legal age for employment and

must take steps to ensure that such persons are not employed in their supply chains.

Building on our previous zero tolerance approach to modern slavery in our existing Supplier Standards, our new Supplier Code of Conduct includes a requirement that mandates our suppliers to actively work to eliminate modern slavery and all forms of child labour from their supply chains. This includes incorporating the requirements of the modern slavery and child labour section of the Supplier Code of Conduct into all contracts with subcontractors and suppliers involved in the provision of materials, products or services to us. We require that once its roll out is completed, our Supplier Code of Conduct is incorporated by reference into all our supplier contracts.

We use a variety of tools to assist us in our due diligence processes, which may include on-site inspections, third party verification, obtaining information from third-party sources including authorities, international organisations and civil society, and consulting experts and technical literature.

We are at times unable to compel suppliers to accept our Supplier Code of Conduct, for example, because they have equivalent policies of their own in place. In these instances, when appropriate, we agree with these suppliers that both parties will agree to comply with an equivalent Code of Conduct

or policies. We review the supplier's code of conduct and/or policies to ensure they materially align with the expectations set out by Glencore's Supplier Code of Conduct.

We communicate our requirements and expectations to relevant suppliers. Using a risk-based approach we conduct training for suppliers identified as being high risk.

We additionally mitigate risks in both our industrial assets and marketing supply chains through our Compliance 'know-your-counterparty' (KYC) process, which is designed to identify corruption, bribery, sanctions, money laundering and reputational risks. Our Compliance KYC process supports our activities to identify modern slavery.

In 2021, our procurement teams completed 9,897 KYC assessments, 21% in South America, 20% in Australia, 15% in Kazakhstan and the remaining 44% across our other regions and operations

**Case study**

## Responsibly producing cobalt

**Our Murrin Murrin operation in Western Australia, and Kamoto Copper Company S.A. (KCC) industrial asset in the DRC participate in the Responsible Minerals Initiative (RMI) Responsible Minerals Assurance Process (RMAP) for cobalt (KCC and Murrin Murrin) and nickel (Murrin Murrin).**

The RMAP uses independent third-party assessments of smelter and refinery management systems and sourcing practices to validate conformance with the Joint Due Diligence Standard for Copper, Lead, Nickel and Zinc and with the Cobalt refiner supply chain due diligence standard.

Murrin Murrin achieved RMAP conformance in 2020, and KCC in this reporting period.

In this reporting period, we continued to work with the Cobalt Institute on its Cobalt Industry Responsible Assessment Framework (CIRAF). This framework strengthens the ability of cobalt producers and buyers to assess, mitigate, and report on responsible production and sourcing risks in their operations and supply chain. The CIRAF also enables a more coherent and consistent approach to cobalt due diligence and reporting by the cobalt industry. During this reporting period, we produced our first CIRAF report, which is available on our website.

### Supply chain due diligence in our metals and minerals business

The approach to supply chain due diligence for our metals and minerals aligns with the OECD Guidance, which applies to all metals and minerals and has dedicated supplements on tin, tantalum, tungsten and gold, also referred to as 'conflict minerals'. Today it is largely considered as the most authoritative guidance document for applying risk-based due diligence on minerals' supply chains.

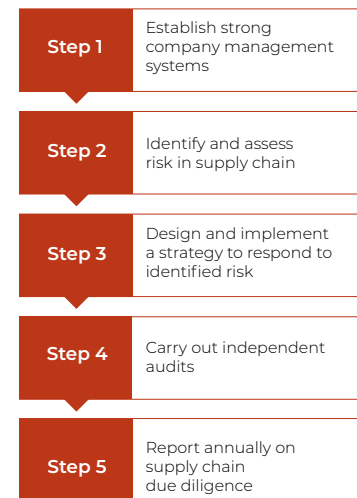
Our risk assessment tool considers the conflict and high-risk areas (CAHRAs) list produced by the European Union and the countries listed by the US Dodd-Frank Act. The tool identifies our list of CAHRAs when sourcing metals and minerals.

CAHRAs are typically regions or countries with socio-economic and political crises, institutional weakness and weak rule of law, widespread violence including armed conflicts. Such countries are susceptible to widespread human rights abuses - torture, cruel, inhuman and degrading treatment, child, forced or compulsory labour and sexual violence. These human rights abuses are encompassed by the term modern slavery and, together with war crimes or other serious violations of international humanitarian law, represent a significant supply chain risk.

An important part of our due diligence process is to identify whether our third-party suppliers of metals and minerals are located in, sourcing from or transporting minerals through CAHRAs and, if so, have the potential to be associated with these human rights abuses. Where we identify a potential

'red-flag' material origin or supplier, as defined in the OECD Guidance, we undertake further risk assessments.

The OECD five-step framework for risk-based due diligence in the metals and minerals supply chains consists of:



Our metals and minerals due diligence management systems are regularly reviewed and updated when necessary to support the identification, assessment and management of our supply chain risks. In conducting our due diligence process, we engage with our suppliers.

We seek to confirm on an ongoing basis through open-source desktop research, screening through third-party providers and where necessary on-the-ground assessments that our metals and minerals suppliers operate in accordance with our relevant Group policies, including that they are not knowingly tolerating, contributing to or profiting from any of the OECD Guidance Annex II risks, which includes modern slavery. If risks are identified, we work with the supplier to design and implement appropriate corrective action plans.

We believe that a key success factor to addressing modern slavery risks throughout our entire supply chain is to establish an agreed due diligence standard by all supply chain participants. As such, we welcome the London Metal Exchange's (LME) recently introduced responsible sourcing requirements and see these as a catalyst to drive responsible sourcing efforts in the supply chains of the metals that we market as LME listed brands.

### Remediation and assurance in our supply chain

We expect our suppliers to share our commitment to ethical, safe and responsible business practices. Where feasible, we leverage our business relationships both as a company and via business organisations and promote dialogue with other stakeholders to advance these commitments and industry best practice.

Where we find instances of non-compliance with the relevant Group policies, we investigate these incidents to understand causes and contributing factors, and we take appropriate action accordingly. We collaborate with our suppliers and relevant stakeholders to address the deficiencies identified and mitigate identified actual or potential adverse impacts as appropriate. However, where we find that a supplier cannot or will not take actions to demonstrate compliance within an agreed timeframe, we may review our continuing relationship with that supplier up to and including termination of engagement.

With regards to instances of non-compliance by our suppliers of metals and minerals with the risks identified in Annex II of the OECD Guidance, we comply with the mitigation and termination requirements defined in Annex II of the OECD Guidance.

If we identify that we have caused or contributed to an adverse impact on human rights in our supply chain, we will provide for, or cooperate in, processes to enable an appropriate remedy.

## Measuring our effectiveness and performance

### Measuring our effectiveness and performance

Our Board Health Safety, Environment and Communities (HSEC) Committee sets the strategic direction for our global sustainability activities, including our approach towards human rights and modern slavery, and oversees the development and implementation of our strategic health safety, environment and communities and human rights (HSEC&HR) programmes.

The HSEC Committee regularly evaluates the effectiveness of our systems for identifying and managing HSEC&HR related risks and considers overall performance. The HSEC Committee receives regular updates on the performance of our global industrial assets in human rights (which includes modern slavery concerns), including being made aware of complaints.

Glencore is committed to continuously assessing its modern slavery risks and improving its framework for addressing them.

In late 2020, we undertook a review of the local operational grievance mechanisms against the UNGPs' criteria. We identified areas for improvement, including the need for more robust mechanisms to measure the effectiveness and consistency of the process and the need to include feedback from potentially affected stakeholders.

We followed this assessment with learning webinars in early 2021, facilitated by external subject matter experts, focused on challenges and good practices in operational complaints and grievance process implementation.

Participants included representatives from our compliance, legal and community teams. The webinars were run in our key operating regions and held in various languages.

**2020 Modern Slavery Statement ‘next steps’**

Supply chain due diligence: reflecting our risk-based approach, we have implemented our due diligence approach to our metals and minerals supply chains for cobalt, nickel, zinc and copper, as well as in our coal business. We will roll it out to our remaining commodities over the coming year

Grievance mechanisms: we are committed to creating a culture where everyone feels free to speak about concerns in a secure and confidential way. In 2021, we will build on the findings of assessment of our local complaints and grievance processes against the UNGP effectiveness criteria. These included the need for more robust mechanisms to measure the effectiveness of the process, including feedback from potentially affected stakeholders

Internal awareness and training: we conduct training with our employees and relevant contractors to ensure they understand the behaviour expected of them and provide guidance on the elements of our policy framework. In 2021, we will look to strengthen understanding of modern slavery through providing training for both our industrial asset and marketing teams

Regulatory developments: we track regulatory developments, working to harmonise our approach to regulatory compliance and to incorporate modern slavery into our broader responsible sourcing programme. Where these have the potential to affect our business, we look for opportunities to engage in consultation processes. Once finalised, we map our existing approach to the new regulation and address any identified gaps. During 2021, a key focus will be implementing the recently published LME responsible sourcing requirements.

**Progress during this reporting period**

During 2021, we assessed OECD Guidance Annex II risks in our operations and supply chains. These assessments considered the risks from our activities that cause, contribute, or are directly linked to human right abuses in our supply chains.

During 2021, we reviewed and updated our tool to identify CAHRAs based on risks relating to human rights, conflict, and good governance. We prioritised due diligence on our suppliers from CAHRAs who provide metals and minerals to our industrial assets producing LME-branded metals.

In 2021, we implemented clauses in the contracts with our metals and minerals suppliers that require compliance with our Supplier Standards. We initiated the development of a Group Responsible Sourcing Policy and Standard, Supplier Code of Conduct, as well as a dedicated Supply Chain Due Diligence Procedure for Metals and Minerals. In 2022, we will roll out these responsible sourcing documents across our marketing business and industrial assets globally.

We provided feedback on the 2020 review to our industrial assets and established an internal target to address the identified gaps.

Our Group Social Performance Standard was rolled out during 2021. This requires industrial assets to develop and implement a rights-based, culturally appropriate local complaints and grievance mechanism that meets the UNGP effectiveness criteria and is aligned with the ICMM’s Handling and Resolving Local-Level Concerns and Grievances. It also commits industrial assets to develop a system to receive, investigate, respond and provide remedy for social performance issues, and implement a process for reporting complaints and grievances data, including trends, to industrial asset management at least quarterly. The requirements of the standard align with the UNGPs.

In 2021, we rolled out our Group Human Rights and Social Performance Policy. The roll out was supported by technical webinars across the business to communicate the expectations of the requirements. A dedicated Human Rights workshop is planned for mid-2022, which will look at “human rights in practice” including modern slavery.

During 2021, we engaged with the London Metals Exchange (LME), Copper Mark and Responsible Minerals Initiative to improve our understanding of the LME’s responsible sourcing requirements and support our LME-brand producing industrial assets to meet these obligations.

We are continuing to track regulatory developments and, when needed, update the appropriate processes in our metals and minerals supply chains.



## Consultation

We consulted widely across our business during the preparation of this report. This includes consultation via our internal Responsible Sourcing Network and Working Group established in 2020.

The Responsible Sourcing Network (RSN) comprises key corporate functions and includes stakeholders from our metals and minerals sourcing teams. The purpose of the RSN is to implement a robust, group-wide responsible sourcing strategy that enables Glencore to maintain and grow its access to market. Through monthly meetings, the RSN supports the ongoing improvement of our sourcing and supply activities' management of potential impacts by sharing learnings from internal and external stakeholders through the RSN and through providing information, when appropriate, to our supply chain participants.

During the year, the RSN contributed to the development of the Responsible Sourcing Policy and Supplier Code of Conduct and supporting its rollout.

## Next steps

We will continue to work with both our internal and external stakeholders to address the risks associated with modern slavery within our business. Going forward:

- Our new Responsible Sourcing Policy and Supplier Code of Conduct, introduced in mid-2022, has replaced the previous Supplier Standards and its accompanying supplier due diligence programme
- Our commodity departments are now in the process of operationalising and implementing the new Responsible Sourcing Policy and Supplier Code of Conduct across our global business
- We will prioritise a third-party assurance process for our industrial assets producing London Metal Exchange and London Bullion Market Associations brands, as these organisations are introducing responsible sourcing disclosure requirements.



# Additional information

## Australian reporting entities

The Australian entities covered by this report, as required under section 16(1)(a) of the Australian Act

Company	Commodity	Company	Commodity	Company	Commodity
Glencore Holdings Pty Limited	-	Glencore Australia Oil Pty Limited	Oil	GS Coal Pty Ltd	Coal
XT Co Pty Limited	-	Glencore Technology Pty Limited	Technology	ASZA Holdings Pty Limited	Coal
Glencore Investment Pty Limited	-	Rolleston Coal Holdings Pty Limited	Coal	Glencore Coal Holdings Pty Limited	Coal
Glencore Queensland Limited	-	Helios Australia Pty Limited	Coal	Glencore Coal Investments Australia Pty Limited	Coal
Helios Hawk Pty Ltd	-	Cumnock Coal Pty Limited	Coal	Glencore Coal Pty Limited	Coal
Midas Hawk Pty Ltd	-	Cumnock No. 1 Colliery Pty Limited	Coal	Jonsha Pty Limited	Coal
Glencore Operations Australia Pty Limited	-	Mangoola Coal Operations Pty Limited	Coal	Enex Ulan Pty Limited	Coal
Copper Refineries Pty Ltd	Copper	Enex Foydell Pty Limited	Coal	Gila Pty. Limited	Coal
Ernest Henry Mining Pty Ltd	Copper	Enex Liddell Pty Limited	Coal	Vistajura Pty. Ltd	Coal
Mount Isa Mines Limited	Zinc	Gabume Pty Limited	Coal	Owljura Pty. Ltd.	Coal
McArthur River Mining Pty Ltd	Zinc	Anotero Pty Limited	Coal	Oakbridge Pty Limited	Coal
Noranda Pacific No. 2 Pty Limited	Zinc	HVO Coal Sales Pty Ltd	Coal	The Newcastle Wallsend Coal Co Pty Ltd	Coal
Noranda Pacific Pty Limited	Zinc	HV Coking Coal Pty Limited	Coal	Saxonvale Coal Pty Limited	Coal
Cadelan Pty Limited	Copper	Abelshore Pty Limited	Coal	Enex Oakbridge Pty Limited	Coal
Acelight Pty Limited	Copper	Mt Owen Pty Limited	Coal	Glencore Coal (NSW) Pty Limited	Coal
Glideco Pty Limited	Copper	NC Coal Company Pty Limited	Coal	Glencore Coal Sales (NSW) Pty Limited	Coal
Isokind Pty Limited	Copper	Oaky Creek Holdings Pty Limited	Coal	Hail Creek Coal Holdings Pty Limited	Coal
Minara Resources Pty Ltd	Nickel	Nicias Investments Pty Ltd	Coal		
Glenmurrin Pty Limited	Nickel	GS Coal Holdings Pty Ltd	Coal		

## Glossary

Unless noted otherwise in the report, the following terms have the meanings noted below:

### Business partners

Suppliers, customers, joint ventures, joint venture partners, service providers and any other counterparties.

### CAHRAs

Conflict and high-risk areas

### Commodity departments

The commodity departments comprising Glencore's business are Aluminium, Coal, Copper, Ferroalloys, Iron Ore, Nickel, Oil and Zinc.

### Conflict minerals

Conflict minerals are those where their extraction, trading, handling and export takes place in politically unstable areas and are used to finance non-state armed groups (including the use of child soldiers) and support corruption and money laundering

### Contractors

Individuals or organisations providing services to a Glencore office or industrial asset in accordance with agreed specifications, terms and conditions.

### Government

Any national, regional or local authority of a country and includes any department, agency or undertaking controlled by such an authority.

### HSEC&HR

Health, safety, environment and human rights

### Independently managed joint venture

Joint venture which operates independently from its shareholders. This means that a board of directors not controlled by Glencore, with an independent executive management and corporate functions, including finance and legal, is established to operate the JV. The shareholders' involvement in the JV is typically limited to participation in the board and shareholder governance bodies.

### Industrial activities

Glencore term covering activities of the Group's industrial assets focused on exploring, extracting, processing, refining and delivering commodities, which generally provide a source of physical commodities for the Group's marketing activities. See 'Marketing activities'.

### Joint venture (JV)

Any arrangement entered into by two or more parties for the purpose of a specific business undertaking, such as a new project or any other business activity. JVs may be incorporated, where the parties agree to incorporate a separate legal entity, or unincorporated, where there is no creation of a separate legal entity but where the parties are bound by the terms to undertake together a specified commercial activity.

### Marketing activities

Glencore term relating to the marketing and trading of commodities, which focus on sourcing a diversified range of physical commodities from third-party suppliers and from industrial assets in which Glencore has full or part ownership interests. These

commodities are sold, often with value-added services such as freight, insurance, financing and/or storage, to a broad range of customers and industrial commodity. See 'industrial activities'.

### Modern slavery

Various forms of exploitation including: slavery, servitude and forced or compulsory labour; human trafficking; sexual exploitation and forced marriage; child labour; deceptive recruiting practices; and debt bondage.

### OECD Guidance

OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas, 3rd Edition

### Policy

A document issued by Glencore with a Group-wide scope, setting out the high-level approach and requirements on a topic. Group-wide scope means the approach and requirements apply to all regions and business activities.

### Project

Operational activities that are governed by a single contract, license, lease, concession or similar legal agreements and form the basis for payment of liabilities to a government. Where multiple such agreements are substantially interconnected, this is considered as a single project. Most of Glencore's extractive operations are covered by operationally and geographically connected contracts and activities.

As a result, the projects reported by Glencore are mainly defined per commodity within an interconnected geographical area.

### Raising Concerns programme

A Glencore Group programme which offers anonymous reporting channels for all Glencore Group employees, business partners and other stakeholders. The Raising Concerns programme enables the reporting of conduct that potentially contravenes our Code of Conduct and Policies and allows any person to report concerns in various languages in a secure manner.

### Standard

A document issued by Glencore which sets out the key requirements established on a particular topic. It contains detailed requirements that support the principles set out in the Code of Conduct or a policy. A standard does not set out the step-by-step process of how the specific requirements should be met.

### Supplier

Any individual or organisation that provides, sells or leases materials, products or services directly to Glencore.

### UNGP effectiveness criteria

The United Nations Guiding Principles (UNGPs) set out a list of effectiveness criteria for state- or company-based non-judicial grievance mechanisms. These criteria stipulate that effective grievance mechanisms should be legitimate, accessible, predictable, equitable, transparent and rights-compatible.

### Workforce

References to our workforce and includes employees and contractors under Glencore's direct supervision.

## Important notice

### Important notice concerning this report including forward looking statement

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. 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 disclosed in the Risk Management section of this report.

For example, our future revenues from our assets, projects or mines will be based, in part, on the market price of the commodity products produced, which may vary significantly from current levels. These may materially affect the timing and feasibility of particular developments. Other factors include (without limitation) the ability to produce and transport products profitably, demand for our products, changes to the assumptions regarding the recoverable value of our tangible and intangible assets, the effect of foreign currency exchange rates on market prices and operating costs, and actions by governmental authorities, such as changes in taxation or regulation, and political uncertainty.

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.

Except as required by applicable regulations or by law, 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 past performance cannot be relied on as a guide to future performance. 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 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.

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In addition to this Modern Slavery Statement, our annual corporate reporting suite reflects our commitment to transparent disclosure across a broad range of topics:

- 2021 Annual Report
- 2021 Sustainability Report
- 2021 Ethics and Compliance Report
- 2021 Payments to Governments Report

### Disclaimer

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Glencore is one of the world's largest global diversified natural resource companies and a major producer and marketer of more than 60 responsibly sourced commodities that advance everyday life. Through a network of assets, customers and suppliers that spans the globe, we produce, process, recycle, source, market and distribute the commodities that enable decarbonisation while meeting the energy needs of today.

With a strong footprint in over 35 countries in both established and emerging regions for natural resources, Glencore's industrial activities are supported by a global network of more than 30 marketing offices. Glencore's customers are industrial consumers, such as those in the automotive, steel, power generation, battery manufacturing and oil sectors. We also provide financing, logistics and other services to producers and consumers of commodities. Glencore's companies employ around 135,000 people, including contractors.

### Our culture

We fulfil our purpose and deliver on our strategy in a manner that reflects our values of safety, integrity, responsibility, openness, simplicity and entrepreneurialism. Only by actively living and breathing these values are we able to ensure our culture is conducive to fulfilling our purpose and delivering on our strategy.

### Our purpose

Responsibly sourcing the commodities that advance everyday life.

### Our strategy

To sustainably grow total shareholder returns while maintaining a strong investment grade rating and acting as a responsible operator.



### Safety

We never compromise on safety. We look out for one another and stop work if it's not safe



### Responsibility

We take responsibility for our actions. We talk and listen to others to understand what they expect from us. We work to improve our commercial, social, and environmental performance



### Simplicity

We work efficiently and focus on what's important. We avoid unnecessary complexity and look for simple, pragmatic solutions



### Integrity

We have the courage to do what's right, even when it's hard. We do what we say and treat each other fairly and with respect



### Openness

We're honest and straightforward when we communicate. We push ourselves to improve by sharing information and encouraging dialogue and feedback



### Entrepreneurialism

We encourage new ideas and quickly adapt to change. We're always looking for new opportunities to create value and find better and safer ways of working