

GLENCORE

Ethics and
Compliance
Report
2021



Welcome

Introduction	
At a glance	4
Our values	7
Governance and structure	
Tone at the Top: Our Board of Directors	9
Governance	10
Culture	11
Compliance leadership	12
The Compliance team	13
Our approach	
The Glencore Ethics and Compliance Programme	17
Risk assessments	18
Code of Conduct	19
Policies, standards, procedures and guidelines	23
Training and awareness	25
Advice	32
Monitoring	33
Whistleblowing framework	36
Discipline and incentives	40
Key topics	
Introduction	42
Anti-corruption and bribery	43
Conflicts of interest	47
Fraud prevention	48
Sanctions and trade controls	49
Anti-money laundering	50
Competition law	51
Market conduct	52
Information governance and data protection	53
Our business partners	
Business partner management framework	55
Third party due diligence and management	56
Know your counterparty	60
Joint ventures and mergers and acquisitions	60
Regional insights	
Updates from the regional teams	62
Appendix	68



Find out more
Ethics and compliance



Video links
Throughout the report, see the video links to find out more.



Find out more
Whistleblowing statistics

Introduction

Our Purpose is to responsibly source the commodities that advance everyday life. We look to deliver financial performance and operational excellence, while positively contributing to society and our stakeholders across our value chain.

We recognise that a number of our stakeholders, including our investors, governments, as well as employees, have an interest in our compliance culture and Ethics and Compliance Programme (the Programme). This is particularly so given the challenges we have faced as a Group over the last few years arising from our ongoing investigations and the historical misconduct identified in these investigations.

Glencore has invested significant resources starting before the investigations commenced to build and implement a best-in-class Programme and has made significant investments in compliance personnel, systems and external assurance. We believe that a strong ethics and compliance programme grounded in our Values, particularly integrity and openness, is critical to ensuring we are a responsible and ethical company.



“Our Ethics and Compliance Programme is fundamental to Glencore continuing to enhance its reputation for integrity and responsibility. The enduring benefits we have delivered together position us very well for the future. The work will not stop and we remain focused on continuous improvement, and I am excited to be part of this important work.”

Daniel Silver
Head of Compliance



“I am proud of the significant progress we’ve made in building a best-in-class Ethics and Compliance Programme that will support Glencore in the next chapter of its evolution as it looks to play a critical role in the transition to a low carbon economy.”

Shaun Teichner
General Counsel

We have therefore prepared this report to provide a detailed overview of our Programme, including a summary of our approach, compliance structure and the various systems and processes that we implement, to support our Programme and promote an ethical culture. We want to be transparent about the challenges we face, how we learn from them and how we use them as an opportunity to improve and push ourselves to do better. This report sets out the efforts that have gone into building our Programme, raising awareness of it, monitoring it, and continuously maintaining and tailoring it, to ensure it is fully embedded into our business globally. Our business is diverse and broad, and ensuring our Programme is implemented in every office and industrial asset requires significant ongoing effort. Also, by openly communicating on our Programme, we hope we can contribute to the continued development and evolution of ethics and compliance programmes and the promotion of responsible business practices.

In order to measure the effectiveness of our Programme and ensure it remains up to date, we regularly assess the Programme against guidance from authorities and NGOs, industry best practice and peer benchmarks. We similarly understand that our stakeholders want us to report on our Programme in a manner that supports their assessment and understanding of it. Accordingly, we have set out in the Appendix to this report, a table which includes a number of key indicators on ethics and compliance programmes from various organisations and where we address those indicators in this report.

We look forward to continued engagement on this critical topic.

Shaun Teichner
General Counsel

Daniel Silver
Head of Compliance

At a glance

Where we operate

● Head office ● Industrial assets ● Marketing office/other



One of the world's largest natural resource companies

6 continents

35 countries

c.135,000 employees and contractors

>40 offices

At a glance
continued

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

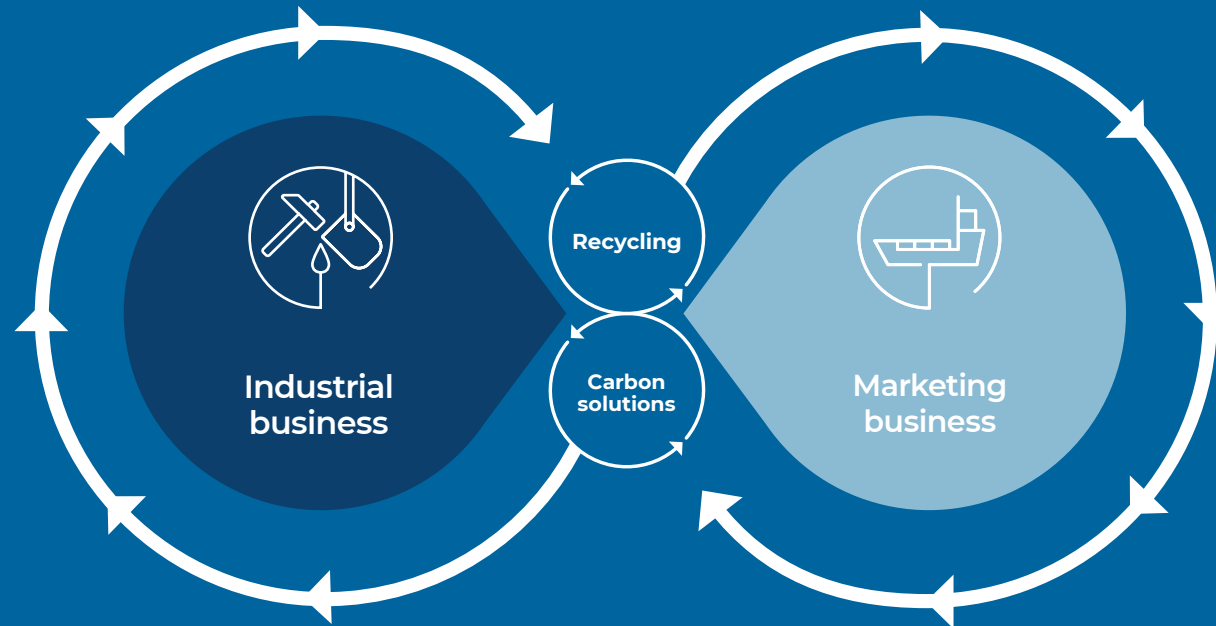
- Capital deployed in disciplined manner
- Marketing hedges out the majority of absolute price risk
- Marketing profitability driven by volume-driven activities and value-added services

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

Taxes/royalties

At a glance
continued

Our strategy for a sustainable future

Aligned with our Purpose, our portfolio enables the transition to a low-carbon economy, while meeting society's energy needs as it progresses through the transition.

Strategic priorities



Responsible production and supply

Our core Values are embedded in everything we do. We are committed to operating ethically, responsibly and to contributing to socioeconomic development in the countries where we operate.

We will continue to focus on reducing the carbon footprint of our operations and will allocate financial returns towards fulfilment of our business strategy.

Our commitment is delivered through our operational excellence, health and safety and ethics and compliance programmes, advancing our environmental performance, respecting human rights and by developing, maintaining and strengthening our relationships with all of our stakeholders.



Responsible portfolio management

We will prioritise investment in metals that support the decarbonisation of energy usage as well as help meet demand for metals needed in everyday life. We will also reduce our coal production in line with our various climate action commitments and the electrification and decarbonisation of energy systems.

Our capital allocation supports this strategy through the optimal balance of debt and equity, distributions to shareholders and business reinvestment in transition commodities and value accretive Scope 1+2 abatement opportunities that help achieve our climate commitments.



Responsible product use

A low-carbon future requires responsibly produced low-carbon metals. We will seek opportunities to increase the proportion of green metals we can supply to customers from our own operations and through our extensive marketing activities. Supporting this, we are scaling up our power and carbon trading teams to help provide carbon solutions for commodity supply chains as these markets evolve and mature.

We will participate in global efforts to improve abatement technologies and availability, as well as resource use efficiency by contributing to the circular economy.

Our Values

Our Values and Purpose are the foundation of our Code of Conduct (the Code) and are the most fundamental elements and backbone of our Programme.

Our Purpose is to responsibly source the commodities that advance everyday life. Our Values reflect our Purpose and define what it means to work at Glencore. They are at the heart of our culture and the way we do business. They are the beliefs by which employees conduct themselves, regardless of location or role, and include integrity and openness.

Our Code seeks to ensure that our Values are reflected in Glencore's daily activities and culture. The principles in our Code apply to everyone working for Glencore. Our Code is designed to help every employee understand the key principles and expectations for how they should act every day.

We work hard, we are dedicated and commercially focused, but we also act and make decisions responsibly and ethically – without exception. We all face difficult decisions. It is in these scenarios that our Code, Purpose and Values can really help to guide us. In our Code, we lay out our commitments and expectations on a range of topics, including how we treat our people, operate safely and responsibly, act with integrity, and protect our assets and information.

Our employees have a personal responsibility to foster an open culture by encouraging dialogue and feedback and raising concerns where they believe laws, our Code, or our policies are not being upheld. This is essential to our continued success.

We encourage and provide forums for employees to discuss our Values, our Code and compliance.



“We expect all employees to commit to our Code regardless of who they are or where they work. Everyone is accountable for living up to our Values, incorporating our Code into their lives and encouraging their colleagues to do the same.”

Gary Nagle,
Chief Executive Officer

Our Purpose

Responsibly sourcing the commodities that advance everyday life.

Strategic objective

To be a leader in enabling decarbonisation of energy usage and help meet continued demand for the metals needed in everyday life while responsibly meeting the energy needs of today.



Find out more

Our Purpose and Values



Video from Vesna Romic

Our Values – Case study film series

Our Values



Safety

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



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



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



Openness

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



Entrepreneurialism

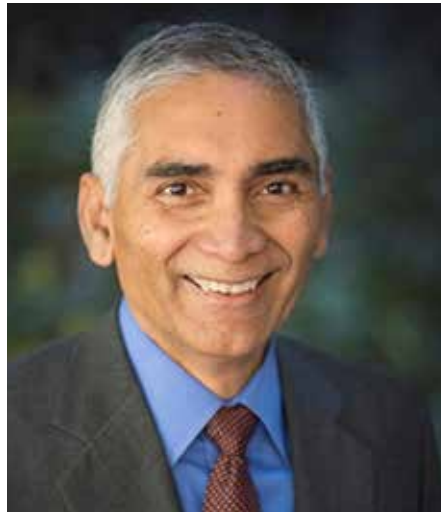
We encourage new ideas and quickly adapt to change. We're always looking for new opportunities to create value and find better and safer ways of working

Governance and structure

Tone at the top: Our Board of Directors	9
Governance	10
Culture	11
Compliance leadership	12
The Compliance team	13



Tone at the top: Our Board of Directors



“The Board and the executive leadership team are committed to leading a company that delivers value for our employees and stakeholders by operating transparently under a well-defined set of Values, with openness and integrity at the forefront.”

Kalidas Madhavpeddi
Chairman

Our commitment to ethics and compliance starts at the top with our Board of Directors.

They bear ultimate responsibility, holding Glencore’s CEO accountable for the implementation of a Programme that reflects our Values and strategic direction, is appropriately tailored to meet our risk profile, is effective in practice, and is appropriately resourced.

Our Board also plays a critical role in overseeing and assessing our culture, and ensuring that our policies, practices and behaviours are consistent with our Values.

The role of the Board manifests itself as follows:

→ The Board structure **includes the Ethics, Compliance and Culture (ECC) Committee** to provide more focused oversight of our Programme and assess related culture topics.

→ The Board and ECC **receive quarterly updates** on our Programme’s implementation, including compliance risks and how they are managed, compliance resources, whistleblowing and investigation processes, and material investigations.

→ Board members attend **annual training** on the Board’s role, our key compliance risks and developments in ethics and compliance requirements and expectations.

→ The Board is actively involved in **promoting ethics and compliance** through championing our Code and regular participation in events such as our Ethics and Compliance Days.

→ **Engagement Directors** have been **appointed** to promote an ethics and compliance culture, gather the views of our employees, and provide feedback on our Programme.



Patrice Merrin (right), Independent Non-Executive Director, engaging with employees in a workshop at one of our Ethics & Compliance Days



Town hall event at our Sudbury industrial asset in Canada attended by Independent Non-Executive Director Patrice Merrin.

Governance

Leadership is critical. Leadership commitment to ethics and compliance must be embedded in the organisation and reinforced at all levels of management.

We have developed a multi-layered governance structure to ensure the compliance function is well funded, staffed and empowered at every level of our organisation.

Our Board oversight is supported and augmented by oversight from management-level committees, including the Environmental, Social and Governance Committee (the ESG Committee) and the Raising Concerns and Investigations Committee (the RCIC Committee).

Glencore recently completed the transition of leadership to its new CEO, Gary Nagle, along with the appointment of various new management team members. They are committed to our Values, transparency and inclusivity.

Case study

Business Approval Committee (BAC) considers reputational risk

Group Compliance will reject onboarding of a counterparty if it believes working with that counterparty would not be consistent with our policies or create legal or reputational risk. Compliance rejections are typically not escalated. Questions of reputational risk are more nuanced and may be escalated to the BAC.

In November 2021, the BAC met to consider one such escalation. There were concerns that the beneficial owners of a counterparty might be a front for a sanctioned party. Compliance, supported by a third-party investigation firm, conducted extensive due diligence on the counterparty. Even though the findings did not substantiate a link between the counterparty and the

sanctioned party, Compliance remained concerned that working with the counterparty presented significant reputational risks.

The BAC, including the Head of the relevant marketing department, carefully considered the findings of the Compliance team and the reputational risks associated with the counterparty and resolved not to approve it.

Compliance governance by Board and management	
Board	<div style="background-color: #00728f; color: white; padding: 5px; text-align: center; margin-bottom: 5px;">Board</div> <p>Responsible for our Programme. Monitors Programme functioning through its ECC and Audit Committees. Also oversees the Raising Concerns' channels and investigations.</p>
	<div style="background-color: #00728f; color: white; padding: 5px; text-align: center; margin-bottom: 5px;">Ethics, Compliance & Culture Committee</div> <p>Oversees implementation of our Programme. Provides compliance-related reports to the Board and Audit Committee (oversees effectiveness of Group's internal risk management and controls). At least two members appointed by the Board are Non-Executive Directors.</p>
	<div style="background-color: #00728f; color: white; padding: 5px; text-align: center; margin-bottom: 5px;">Audit Committee</div> <p>Reviews Glencore's financial and risk management systems. All members are Non-Executive Directors appointed by the Board.</p>
Management	<div style="background-color: #00728f; color: white; padding: 5px; text-align: center; margin-bottom: 5px;">Environment, Social, and Governance Committee</div> <p>Reviews and approves Group policies, standards, procedures and practices to ensure they align with our Values and oversees their implementation. Comprised of CEO, CFO, General Counsel, Head of Compliance, Head of Industrial Assets, Head of HR, Head of Sustainable Development, and other Heads of Department representing marketing offices and industrial assets.</p>
	<div style="background-color: #00728f; color: white; padding: 5px; text-align: center; margin-bottom: 5px;">Business Approval Committee</div> <p>Determines and sets guidance for business relationships, transactions, and counterparties. Comprised of CEO, CFO, General Counsel, Head of Sustainable Development and where applicable, Heads of Department.</p>
	<div style="background-color: #00728f; color: white; padding: 5px; text-align: center; margin-bottom: 5px;">Raising Concerns and Investigations Committee</div> <p>Oversees Glencore's Raising Concerns Programme, as well as the conduct of investigations across the Group. Comprised of CEO, CFO, General Counsel, Head of HR, and Head of Industrial Assets.</p>

Culture

In an increasingly complex world, we recognise the important role our Purpose and Values can play in helping to guide and manage our business and our people.

We continue to develop and evolve the ways we evaluate our culture and understand employee experience across our operations.

In 2020, we distributed our employee survey to our networked employees globally. We invited 30,000 employees from 35 countries to participate.

Our survey measured employees' day-to-day experiences, their satisfaction with their roles and career development, as well as safety and ethical behaviour – key elements underpinning our strategy and reputation as a responsible, ethical operator. This resulted in an engagement score which we benchmarked across our businesses, against an external high-performance benchmark and against other large-scale industrial businesses. Our scores were very positive, with employee engagement scoring 85% against our external benchmark of 81%.

The survey allowed us to test the impact of our Programme on the ground. In many areas, we scored above the benchmarks of externally recognised surveys such as the Institute of Business Ethics' European Survey of Ethics at Work.

We included five specific ethics and compliance questions which allowed us to calculate an aggregate ethics and compliance index for each of our offices and industrial assets. Group Compliance has been engaging (and will continue to work) with management to identify any remedial action plan.

We are still working to address the results of the survey and will repeat it periodically to assess our progress. Group Compliance has also incorporated the survey results into its systems and will continue to use it as one of the metrics to assess the status of the Programme at office and industrial asset level.

We are reviewing the leadership development programmes to ensure they have an appropriate focus on ethics and compliance in addition to other important ESG topics.

“The changes we have made, and the corresponding focus on making the importance of ethics and compliance more visible across the business, have substantially reinforced our overall compliance tone, culture, and commitment.”

Gary Nagle
Chief Executive Officer

Outcome of people survey (in percentages)

	Industrial assets	Corporate offices	Marketing offices	Weighted average
This company is committed to ethical business practices.	84	87	90	85
This company sets business objectives that can be achieved without compromising our ethics or compliance commitments.	85	84	88	85
My direct manager acts ethically and in compliance with policies.	87	93	94	88
I can report unethical practices without fear of retaliation.	79	84	85	80
If a misconduct concern is raised, I am confident it will be addressed.	79	78	85	79
Group average	83	85	88	83

● < 80 ● 80-89 ● > 90

Compliance leadership

With strong leadership from the General Counsel and the Head of Compliance, compliance personnel are able to work across the multi-layered Group Compliance structure to implement our Programme and advise our employees on our policies, standards, procedures and guidelines, compliance with applicable laws, and any ethical dilemmas they may face in their jobs.

Shaun Teichner General Counsel

- Member of management
- Chairs the ESG Committee and the RCIC and is a member of the BAC
- Participates in ECC Committee meetings
- Oversees the Raising Concerns programme, associated investigations, and reports directly to the Board on these matters
- Ensures the Head of Compliance has sufficient resources to implement our Programme

Our General Counsel and our Head of Compliance serve as leaders for Group Compliance.

Shaun Teichner is General Counsel and oversees the Legal and Compliance functions at Glencore. Shaun joined us in 2012 and became General Counsel and Head of Compliance in 2016. Prior to joining Glencore, he was a partner at Werksmans Incorporated, a law firm in South Africa, having graduated from the University of Witwatersrand and Harvard Law School. Shaun initiated and led the development of our current centralised Compliance function and Programme.

In developing the Compliance function, it was determined that it was important to have a leader of this function whose sole responsibility is compliance. Therefore, in August 2020, Glencore appointed **Daniel Silver** as Head of Compliance.

Daniel is an UK-qualified lawyer and has been Chief Compliance Officer at FTSE-listed multinational companies since 2010. Prior to joining Glencore, he was Chief Compliance and Ethics Officer at BG Group plc (formerly British Gas plc) and then Chief Compliance Officer of Royal Mail Group plc.

He has extensive experience in designing and implementing all aspects of a compliance programme. In close coordination with Shaun, Daniel is leading the ongoing implementation and development of our Programme globally.

Daniel is a member of the Board of the European Chief Compliance and Integrity Officer's Forum. The Forum provides major European corporations with a platform to exchange best practices and latest developments in all aspects of corporate compliance, as well as to provide compliance thought leadership and promote the highest standards of compliance.



Daniel Silver (left) with Corporate Compliance team members and external facilitators from Spark Compliance at the Compliance Competitor workshops in Baar.

Daniel Silver Head of Compliance

- Oversees Group Compliance and manages implementation of the Programme
- Reports to the Board through the ECC Committee and the Board Chairman in executive management sessions
- Member of the ESG Committee
- Reports to the ESG Committee regarding the Programme's progress and obtains their support for key compliance policies, standards and procedures



Shaun Teichner at one of Glencore's Ethics and Compliance Days in Baar, Switzerland.



Listen to Shaun Teichner

explain why ethics and compliance is important to him.

The Compliance team

Our Compliance team supports the implementation of our Programme and is comprised of our full-time Corporate and Regional teams (together, known as Group Compliance), as well as full-time Local Compliance Officers (LCOs) and part-time Compliance Coordinators (CC) at our offices and industrial assets.

The Corporate Compliance team is responsible for designing, monitoring and continuously improving our Programme. The Corporate Compliance team includes subject matter experts (SMEs) for each of the Programme's elements and the various compliance risks that it covers.

The Corporate Compliance team provides guidance and advice to the Regional Compliance teams and the business on implementing and embedding our Programme to support consistent application across the organisation.

The Regional Compliance teams are responsible for the implementation of our Programme in specific geographical regions. They provide guidance to the business and support the LCOs and the CCs.

The compliance budget is reviewed annually, also taking into account the results of the Group Risk assessment to ensure there are sufficient financial resources available to support our Programme. We have substantially increased our compliance budget over the past few years and made significant investments in personnel and systems.

“Glencore’s Compliance team is comprised of dedicated and experienced professionals who drive implementation of our Programme and support our colleagues in day-to-day business considerations, particularly those seeking advice on ethical dilemmas or how to manage red flags, interpretation of laws and regulations that apply to us, or questions on the Programme itself.”

Daniel Silver, Head of Compliance



Gareth Austin,
Head of Oil Compliance

UK-qualified solicitor with over 15 years' of legal and compliance experience working both in-house (at a oil major and global investment bank) and in private practice.



Vladimir Egorov,
Head of Metal and Minerals
Compliance

Compliance professional with 14 years' experience in compliance and fraud management systems; Foreign Corrupt Practices Act (FCPA) monitorships, FCPA third party audits, forensic investigations/audits, due diligence and compliance training.

The Compliance team continued

The geographic coverage of our Compliance function has been designed based on the risks presented by various businesses and geographies around the world. We continually assess the resources in each region and make calibrations as necessary, when the risk footprint changes.

LCOs are employed full-time to support the local implementation of our Programme in their office or industrial asset.

CCs are employed by one of our Group offices or industrial assets and dedicate part of their time to coordinating local Programme implementation, in addition to their primary business or corporate role. CCs typically sit in Corporate functions such as Legal, Finance or Human Resources.

Local Compliance Support employees work with the LCOs and CCs to support them on specific tasks.

Whether an office or industrial asset requires an LCO or CCs is based on an assessment of the risks facing the relevant office or industrial asset. The LCOs report into the business in which they sit but have strong dotted reporting lines to the Regional Compliance Officers (RCOs) for their offices or industrial assets. We hire qualified LCOs and have a formal process for nominating and appointing qualified individuals for the CC role, depending on the nature and risks identified.

Employees can access the contact details of all our LCOs and CCs via both Group and local intranets.

Geographic coverage of our Compliance function

● Full-time resources ● Part-time resources



Full-time Group Compliance employees

61

Full-time Local Compliance Officers

15

Part-time Compliance Coordinators

52

Part-time Compliance Support personnel

54

The Compliance team continued

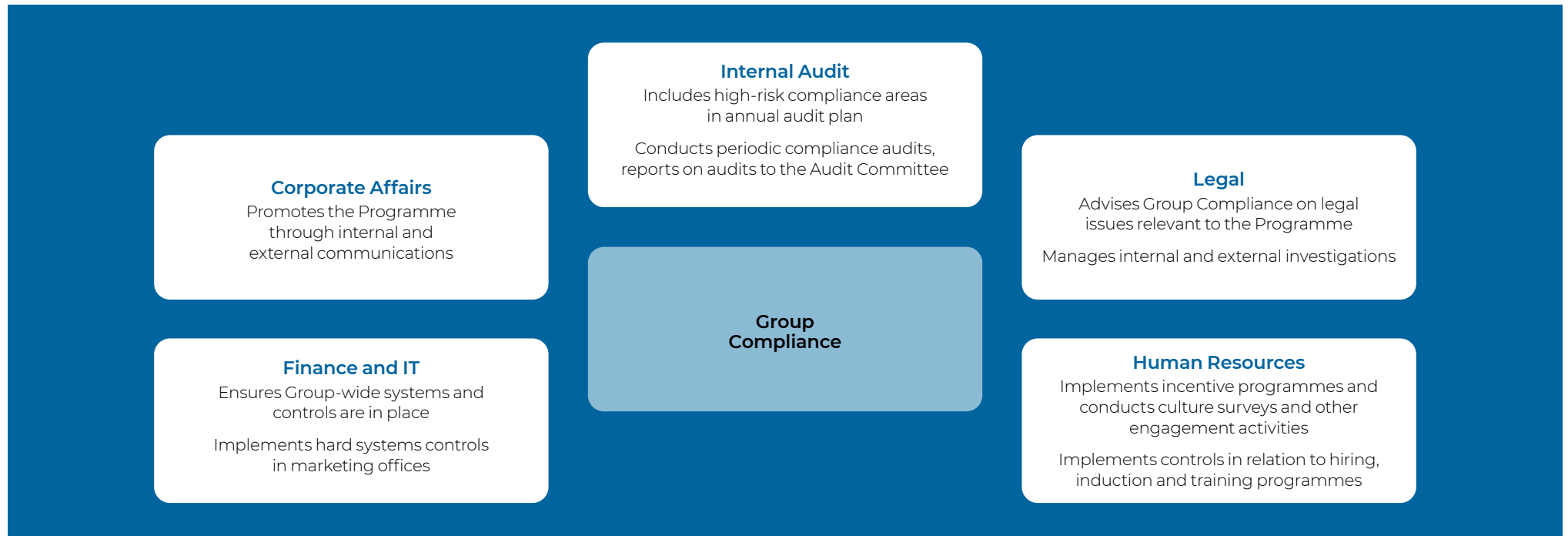
Corporate support for Group Compliance

Group Compliance must operate with sufficient resources and independence to credibly implement the Programme across the Group. Group Compliance cannot, however, operate in a vacuum; it collaborates closely with other corporate functions, including Group Legal, Group Human Resources, Group Finance, Group Corporate Affairs, and Group Internal Audit. Each of these functions serves as a compliance stakeholder in its own right and plays a key role in supporting the implementation of the Programme.



“We recognise that our contribution to society relies on the skills, behaviours and individual decisions of our 135,000 workers every day. Following last year’s successful roll out of our Purpose and Values campaign, our focus this year has shifted from the organisation to the individual; making our expectations clear to our employees and our managers wherever they are in the world.”

Derrick Crowley
Group Head of Human Resources



Our approach

The Glencore Ethics and Compliance Programme	17
Risk assessments	18
Code of Conduct	19
Policies, standards, procedures and guidelines	23
Training and awareness	25
Advice	32
Monitoring	33
Whistleblowing	36
Discipline and incentives	40

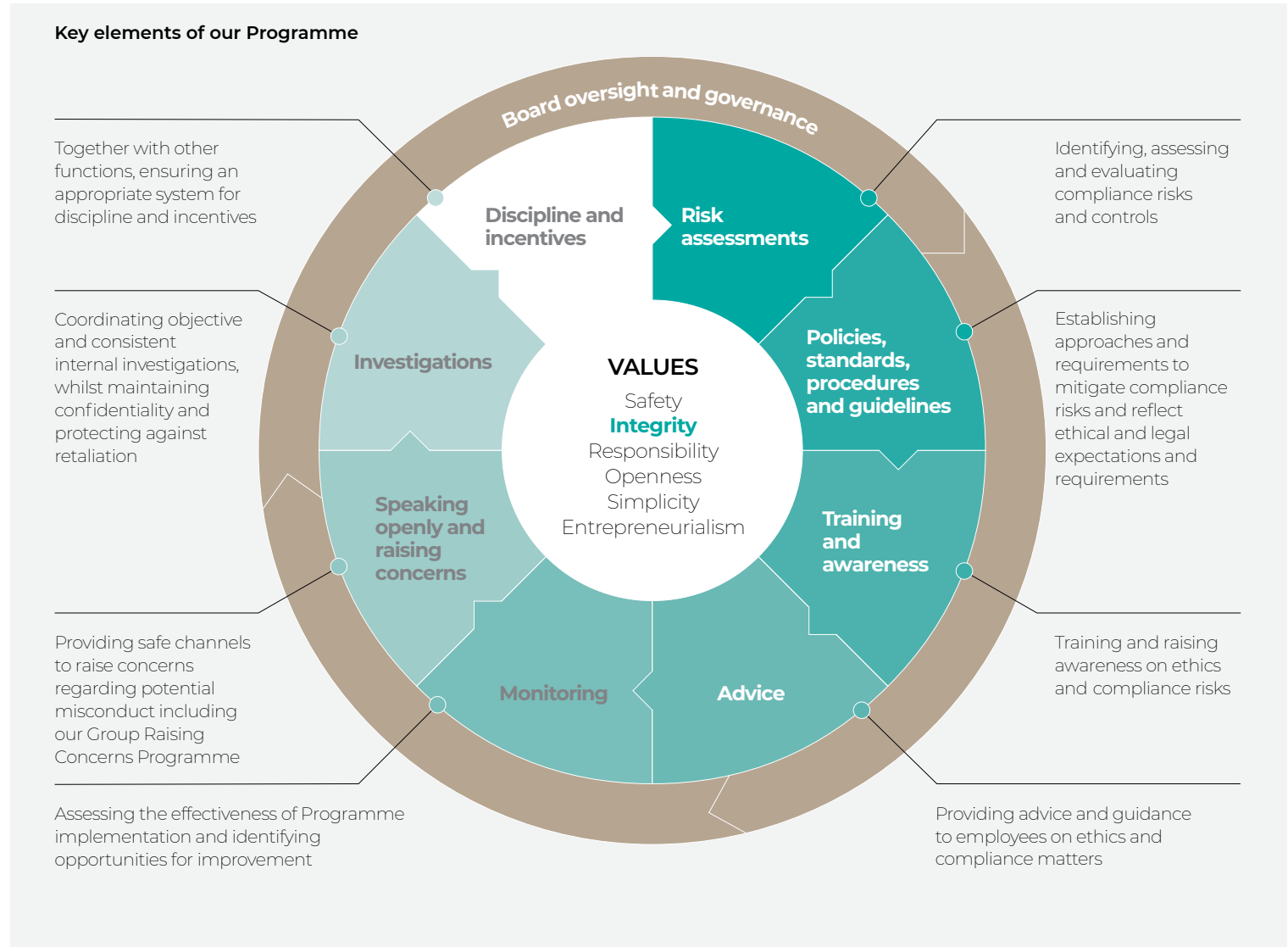


The Glencore Ethics and Compliance Programme

We have sought to develop and implement a comprehensive best-in-class Programme. We consulted with external counsel, advisors, and tailored the overall compliance approach to our businesses, in line with guidance from the US Department of Justice, the UK Ministry of Justice, and the State Secretariat for Economic Affairs of Switzerland.

Our Programme includes risk assessments, policies, standards, procedures and guidelines, training and awareness, advice, monitoring, speaking openly and investigations. Supporting our Programme are dedicated compliance IT systems, controls embedded in business systems and data analytics capability.

The key elements of our Programme establish a risk-based approach to ethics and compliance to address the challenges presented by our diverse business operations. Together the elements comprise a feedback loop, designed to ensure that compliance risks are identified and addressed across our business on an ongoing basis.



Risk assessments

In order to ensure our Programme is appropriately designed, tailored to our business and that resources are adequately allocated, we identify, assess and evaluate compliance risks faced by our marketing and industrial asset businesses. The risks faced by these businesses differ because of the distinct activities they undertake.



“Risk assessment activities lay the foundations for a well-designed Ethics and Compliance Programme. To protect shareholder value, we must identify, assess and manage our Compliance risks through our offices and industrial assets in a manner that is consistent with our Values.”

Peter Freyberg
Head of Industrial Assets

Group Compliance risk assessment

The Corporate Compliance Risk Assessment and Monitoring team conducts an annual Group Compliance risk assessment which reviews current risks, covering a number of risk areas, but focuses in particular on anti-corruption and bribery, given the nature of our business and the geographies in which we operate. We document these risks in the Group Compliance Risk Register (the basis for the local risk assessments) to ensure they are up to date and relevant and whether new risks need to be added. It also identifies if existing Group policies, standards, procedures, guidelines and training, as well as compliance resource and skillsets, effectively address the updated or new risk(s).

This involves:

- discussing with SMEs any cases and/or developments in their subject area and changes to the inherent risk in our business activities
- discussing with RCOs what the main risks in their region are, and if they have increased or changed since the last assessment; which risks may be less relevant; which risks are not present in our risk assessment template; incidents (internal or external) and/or developments in their region; and anything else they think may be useful as part of the assessment
- reviewing and analysing opportunities for improvement arising from monitoring reviews

- reviewing and analysing compliance-specific observations from Group Internal Audit reviews, and
- reviewing and analysing concerns reported to the Raising Concerns Programme.

The conclusions of the Group Compliance risk assessment are used to update the Group Compliance Risk Register.

Local risk assessments

RCOs, with the support of the LCO or CC, conduct local risk assessments across all our industrial assets and offices to determine the inherent risks that exist (using the Group Compliance Risk Register as the basis), the effectiveness of the controls in place to mitigate those risks and any residual risks.

Document review

The RCO reviews key documents, including:

- country or sector reports
- overviews of business operations
- corporate structure documents
- local compliance, HR, finance, and procurement policies and procedures, and
- previous monitoring, internal audit reports, or site visit reports.

Interviews

The RCOs interview relevant employees from the business across multiple functions on subject areas identified in the local risk assessment template, including anti-

In 2021, we conducted

41

local risk assessments

corruption, sanctions, anti-money laundering, and market conduct, to determine whether these risks are applicable.

Assessment of mitigating controls

The RCO considers a number of internal and external risk factors and rates the industrial asset or office's inherent risk, the likelihood of those risks occurring, and the impact.

The RCO then assesses the controls in place which mitigate the risks. These can include system and process controls; policies, procedures, and guidelines; training and awareness; and monitoring and review, to evaluate the design effectiveness of the controls. The RCO can assess the control's effectiveness by interviewing employees, observing our operations, inspecting the relevant documentation and performing walkthroughs. Once the RCO has assessed all identified controls and determined their design effectiveness, they conduct an overall control design effectiveness assessment to determine how the controls collectively reduce the level of inherent risk, and document a residual risk score. If necessary, the RCO develops and implements with management a control improvement and remediation plan.

The RCO documents the risk assessment process in the Group Compliance Manager (further described on page 33), including the control improvement and remediation plan, which enables monitoring of progress to implement planned controls.

Code of Conduct

Case study

Code of Conduct refresh

In 2019, we began the process of refreshing our Code in order to modernise and translate it into concepts that speak to employees of today's Glencore and its leaders of tomorrow. We considered feedback from various internal and external stakeholders, including the Institute of Business Ethics, and we benchmarked our approach against our peers.

Launch of the Code was preceded, during 2020 and early 2021, by building visibility around our Purpose and revised Values. Following the consultation process, and in alignment with our continued focus on ethical business practices, we formally introduced 'Integrity' as one of our Values. Integrity at Glencore means having 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. Operating with integrity is essential to maintaining our position as an industry leader and protecting our brand.

The roll out of the Code was delayed because of the pandemic. In July 2021, we rolled out a company-wide, multi-channel campaign to launch the refreshed Values and Code and embed them throughout our business in coordination with the appointment of new CEO Gary Nagle. Gary made it one of the central marquee components of his introduction to our company and global operations.



Code of Conduct continued

Code of Conduct refresh roll out

Code of Conduct Toolbox

Approx. **25** resources created for the Code campaign, deployed through various channels



Materials translated into **12** languages



Approx. **800** materials created to support the campaign



Group level and local leader **sponsorship** to reinforce importance and relevance of the Code

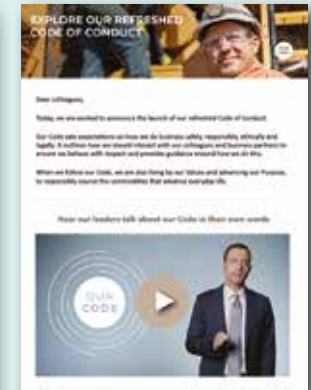


Events and communications

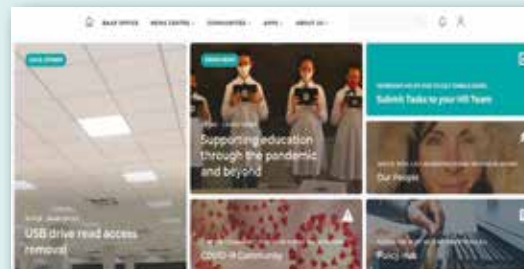
Well received pre-launch leadership-led event



Launch email from our CEO to all staff promoting the Code



Code Hub on The Core



Code of Conduct
continued

Code of Conduct refresh roll out

Canada

Raglan staff attended Code training sessions and discussions took place during weekly shift meetings



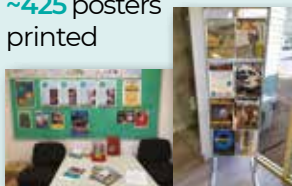
~4,250 printed copies of the Code and ~100 posters featuring local photography put up

Australia



~5,500 employees reached with the digital version of the Code, 10 launch events held and ~425 posters printed

Talking points used to support team meetings, town halls and voiceovers for videos



DRC

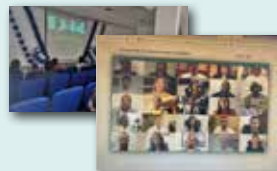


Broadcasted audio messages at main gate and in buses and large billboards put up around sites

Inclusion of Values and the Code in various team sessions such as inductions and leadership meetings



Kazakhstan



~5,000 employees invited to online event with CEO Gary Nagle

Regular meetings with line managers and induction briefings for new joiners around the Code



Peru



~3,430 printed magazines shared internally



Videos and animations played in shared spaces

Values 'jenga' created, employee testimonials shared and animations sent via WhatsApp e-comms



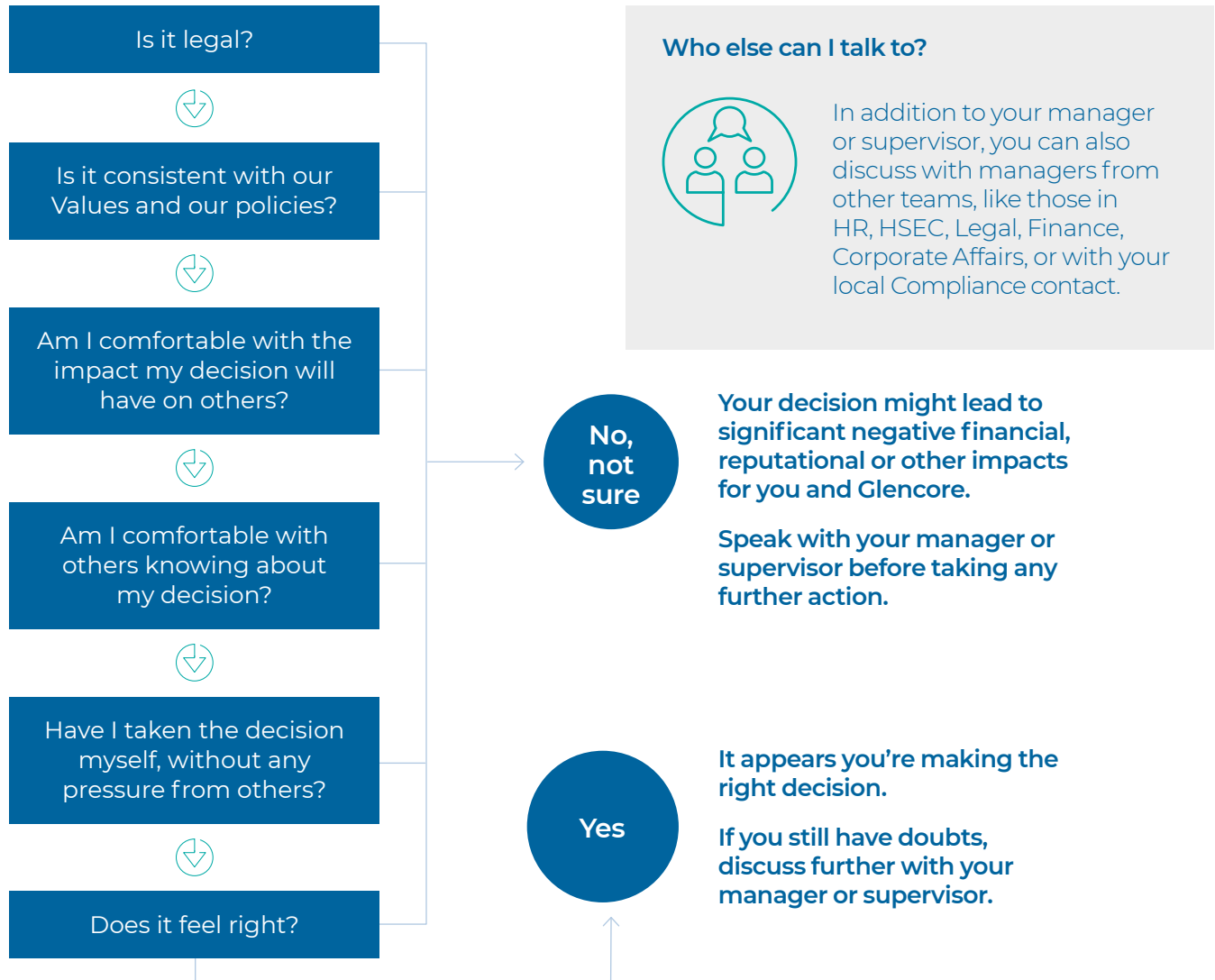
On-site launch events and employee celebrations organised locally



Code of Conduct
continued

Our framework for making decisions with integrity

Keeping to our Code helps us make ethical decisions. When facing a tough decision or situation not explicitly covered in our Code, we ask ourselves the following questions:



Policies, standards, procedures and guidelines

Our Group policy framework encompasses our Values, Code and a suite of policies, standards, procedures and guidelines on various compliance matters and risks. These are issued in accordance with the Group policy architecture.

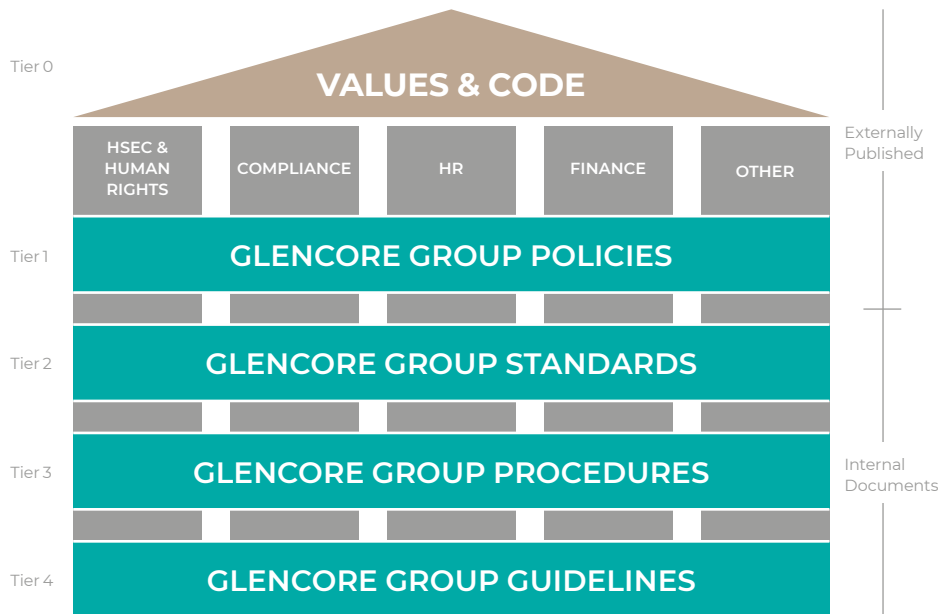
Our employees, directors and officers, as well as contractors under Glencore’s direct supervision, working for a Glencore office or industrial asset directly or indirectly controlled or operated by Glencore plc worldwide, must comply with our Code and policies, as well as applicable laws and regulations. Employees who have access to a work computer must confirm their awareness and understanding of our Code and key compliance policies when they begin working for us and annually thereafter.

Our offices and industrial assets are responsible for implementing Group procedures and developing and implementing local procedures, consistent with Group policies and standards, but adapted for local risks and requirements.

As a general rule, Corporate Compliance issues procedures for our marketing activities, which are run in a more centralised manner using similar systems and processes. Our marketing businesses generally have higher compliance risks than our industrial assets. For our industrial asset activities, Corporate Compliance typically issues standards which set out minimum requirements but provide some flexibility in local implementation. For example, we have issued a Gifts and Entertainment Standard to set out the Group’s general approach to gifts and entertainment including the minimum requirements. However, we expect offices and industrial assets to implement their own local gifts and entertainment procedures to ensure they comply with the various local requirements regarding gifts and entertainment (such as thresholds).

In circumstances where there is a major risk that requires a consistent Group-wide approach (e.g. Third Party Due Diligence and Management Procedure), Corporate Compliance will issue a mandatory procedure which must then be implemented in that form in each office and industrial asset. If an office or industrial asset wishes to deviate from a Group procedure, or a minimum requirement in a Standard, they require approval from Corporate Compliance which will document that deviation.

Group Policy Framework



Case study

Updated group policy framework

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 more streamlined and consistent approach to policy governance.

As part of this, we initiated a review of all Group compliance policies, standards, procedures and guidelines to ensure that they are clear, comprehensive and accessible. We completed this review in 2021 and conducted a Group-wide roll out of the new and revised Group documents. The policies have all been made available on our website.

We consulted extensively with the business and considered and implemented their feedback to ensure implementation of our policies and supporting documents was practicable.

We also considered industry best practices and the commitments we are required to meet through our membership and support for external frameworks such as the UN Global Compact, the International Labour Organisation Declaration on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights. We also took into account the International Council on Mining and Metals’ Performance Expectations.

Policies, standards, procedures and guidelines continued

The annual Group Risk Assessment process analyses whether the risks identified and listed in the Group Risk Register are appropriately addressed by our Programme policies, standards, procedures or guidelines, and whether there is a need to introduce new, or amend existing documents. In addition, these documents are subject to periodic review according to a set cycle. Proposals for new documents and material amendments to existing compliance documents must be approved by the Head of Compliance before being submitted for approval to the ESG Committee, where required. All our group policies are approved by the Board.

Number of compliance documents reviewed in 2021, as part of our policy governance review cycle

11

Number of new compliance documents developed in 2021

6

Summaries of the policies are available on the Ethics and Compliance App, (see page 31). Employees can access our compliance policies, standards, procedures, and guidelines in 12 languages through various channels, including The Core (see right) and local intranets.



Find out more

All Group compliance standards, procedures and guidelines are generally issued in – at a minimum – English, French, Spanish and Russian. Depending on the nature of the document and the audience’s level of English, they may be translated into other languages.

- Our Code, Group policies, standards, procedures, and guidelines are made available through the Compliance page on the Group intranet in searchable PDFs.
- We translate our Code and all Group policies into 11 languages: French, Spanish, Portuguese, German, Italian, Norwegian, Russian, Kazakh, Chinese, Sepedi, and Tswana.

Our Compliance manuals provide guidance to Group Compliance regarding the management of our internal compliance processes and the operations of the Compliance team. For example, the Gifts and Entertainment Manual provides detailed guidance through various sample scenarios and questions to help Group Compliance answer questions related to gifts and entertainment. Other manuals, like the Group Compliance Manager manuals, are more process-oriented and provide step-by-step instructions on how to use the tool. These resources are accessible on our Compliance Community Portal and ensure that both new and current Compliance employees have a roadmap for the implementation of various aspects of our Programme. This ensures our detailed processes and procedures are documented, should personnel change.

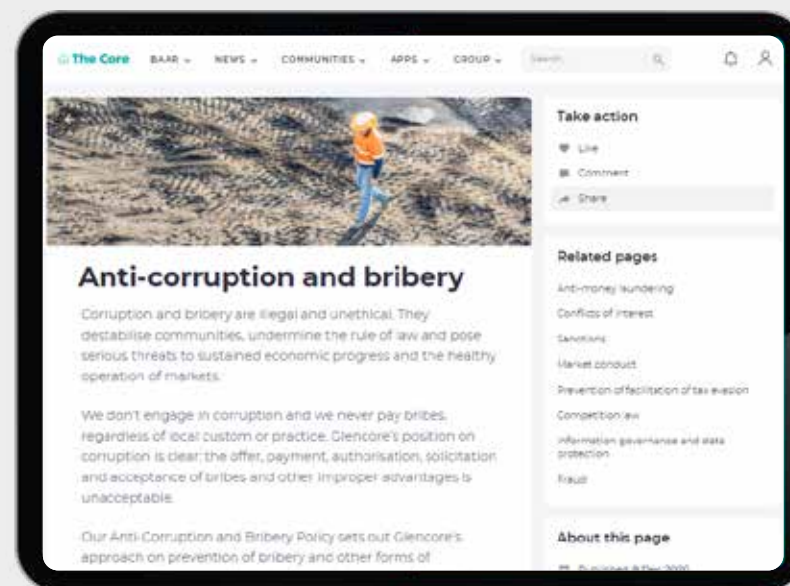
The Core

The Core is Glencore’s newly launched global intranet platform which enables all employees to access key updates and resources. It:

- promotes awareness of all major campaigns and initiatives across the Group, including Health and Safety, HR and other ESG matters, and is available globally in multiple languages.

- allows employees to directly access compliance tools such as the Conflict of Interest Declaration Platform, Gifts and Entertainment Register, and Raising Concerns Platform.

- allows for tracking page views to assess employee engagement and to understand which topics are garnering interest, allowing us to continue to improve our communications.



Training and awareness

Training

Training is important because it supports employees in building the awareness, the knowledge, skills and mindset needed to understand and behave in line with our Values, policies and the law. It is key to establishing a connection with the audience and to motivating ethical and compliant behaviour.

While training is a critical component of our Programme, regular awareness-raising and communication is equally important. We therefore supplement our compliance training with various awareness initiatives, communications, and activities throughout the year. We have a comprehensive approach which includes the right planning, the right expertise, and the right delivery to the right audience at the right time.

Right planning

Each year, we develop a Compliance Training and Awareness Toolbox Planner (the Planner). The Planner sets the training and awareness priorities based on output from the annual Group Risk Assessment and local risk assessments, advice sought from Compliance during the year, the results of post-training knowledge checks and training feedback surveys, monitoring reports, internal audit findings, Raising Concerns reports, and other lessons learned and relevant best practices. It also includes training and awareness materials on any new or materially updated policies, standards, procedures, or guidelines.

Each year, the Training, Awareness and Policies team, together with the SMEs and in consultation with the Head of Compliance and Regional Compliance, update the Planner with:

- mandatory in-person trainings
- mandatory digital micro-learning ‘sprints’
- mandatory eLearnings (longer digital courses)
- in-person induction trainings, pre-shift general trainings, and ‘toolbox talks’ for those employees without regular access to a computer
- awareness materials, such as checklists, bulletins, newsletters, and practical guides
- management communications, such as letters from the CEO and local General Managers to raise awareness on the importance of ethics and compliance, and
- events, such as the Compliance Summit and Ethics and Compliance Days (see page 31).

Right expertise

Together with leading external service providers, we develop new – and revise existing – training and awareness materials. We often ask the business for feedback on the materials and incorporate their suggestions if appropriate. We tailor our training and awareness materials and make them relevant by including hypothetical scenarios illustrating how ethics and compliance dilemmas could manifest themselves in employees’ daily work.

Right delivery

We deliver compliance training to employees either in-person, virtually or through digital learnings.

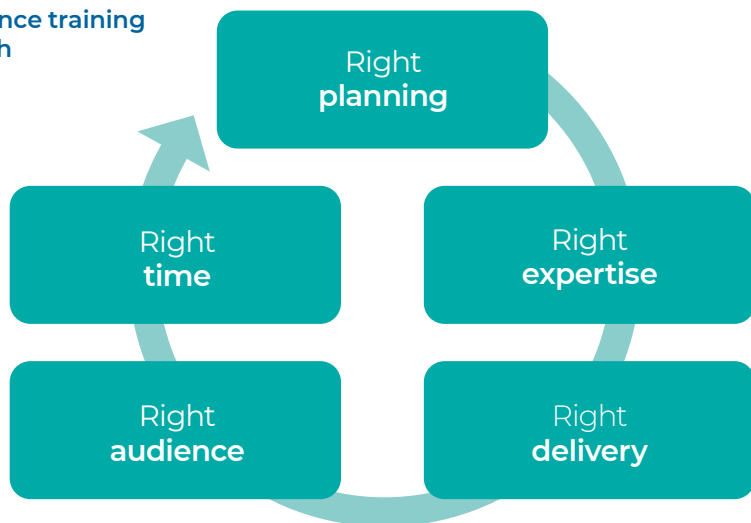
Digital learnings are designed for employees and contractors with regular access to a work computer. Where this is not available, they receive training in other ways, including induction sessions, pre-shift trainings and toolbox talks.

Right audience

We carefully consider the audience of our trainings. Each training session must be tailored to its specific audience to be effective.

We have a process for assigning training to employees based on their compliance risk rating of high, medium or low. Their rating will depend on their function or role. Some of the criteria we consider when assigning a risk rating are the type of interaction the employee has with external parties such as public officials (if any), whether the employee is making commercial decisions or whether the employee has a control function.

Compliance training approach



Each Glencore office and industrial asset is required to develop a local training and awareness plan, based on the Planner, reflecting that office or industrial asset’s local risk assessment, lessons learned, local legal or regulatory changes or any other local circumstances. Training and awareness materials are made available to regional and local teams with the expectation that the materials will be customised at a local level to include specific examples relevant to the local audience.

Training and awareness continued

Right time

We carefully schedule our training to avoid training fatigue and to ensure optimal knowledge retention. We try to link training and awareness to events/holidays throughout the year. For example, we roll out Gifts and Entertainment awareness materials around the holiday season or Chinese New Year and we distribute our Practical Guide to Competition Law around trader conventions, such as London Metals Exchange Week. New joiners receive in-person compliance trainings on our Values, Code, key compliance risks and how to raise concerns.

Effectiveness

We regularly evaluate the effectiveness of our compliance training and awareness activities by asking employees to complete short post-training surveys. These surveys are designed to understand the relevance and effectiveness of our training and awareness materials and where we can make improvements. We also launch knowledge checks either at the end of trainings or before and after trainings to test employees' understanding and whether their knowledge has improved.

Case study

Training Sprints



We have developed short, tailored, engaging sprints to bolster awareness of key anti-corruption risks amongst high-risk employees. The various sprints cover topics such as the use of intermediaries, third party due diligence, recognising bribery and corruption red flags, and gifts and entertainment.



Training and awareness continued

Non-completions

We actively monitor compliance training non-completions and take them seriously. Compliance escalates non-completions of trainings to the department head/lead or the local industrial asset equivalent. Employees who repeatedly, and without an extenuating circumstance, fail to attend training may be subject to disciplinary action.

Case study

Engaging approach to training

The outbreak of Covid-19 presented challenges for our training and awareness programme. Our aim has been to reduce the impact on in-person training through remote learning strategies.

To make our online training sessions more engaging and effective, we use live voting tools which give the audience an opportunity to actively participate.

We have also redesigned some of our awareness materials so that they can be viewed and accessed digitally. Employees can also easily refer to these materials via the Glencore Ethics and Compliance App on their mobile devices.

Another way we looked to engage employees is through the organisation of Compliance Competitor workshops for our high-risk employees. This business simulation game facilitated by external compliance training experts was very well received.

In this game, employees could see in real-time how their decisions in actual ethics and compliance dilemmas could affect a company's revenues, fines, shares, reputation, and decision makers personally. We ran this training both virtually, and where possible, in-person.

This unconventional, yet highly engaging and relevant approach to training, covered challenges that our high-risk employees may face on topics including ethical dilemmas, bribery and corruption, sanctions, money laundering, facilitation of tax evasion, and conflicts of interest.



Nicole di Schino and Kristy Grant-Hart (L-R) of Spark Compliance facilitated a game of Compliance Competitor at our Baar, London and NYC offices.

Training and awareness continued

Training statistics

Number of employees completing compliance eLearnings in 2021*

Code of Conduct

36,302

97.3% completions*
(39,891 in 2020)

Covers: Glencore's expectations on how to do business safely, responsibly, ethically and legally.

Conflicts of interest

26,825

95.4% completions*
(24,875 in 2020)

Covers: the different types of conflicts of interest, how to recognise conflicts, and what to do if they arise.

Anit-corruption and bribery

22,379

99.4% completions*
(24,961 in 2020)

Covers: facilitation payments, gifts and entertainment, and dealings with public officials.

Sanctions

15,960

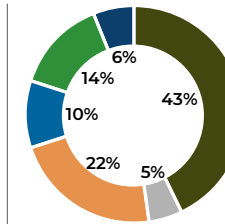
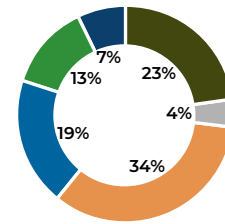
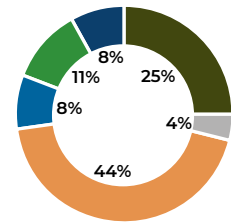
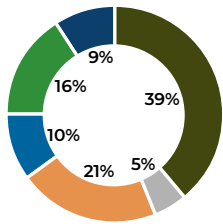
99.3% completions*
(19,708 in 2020)

Covers: our approach to sanctions breach avoidance, due diligence of counterparties, and screening of vessels.

The drop in training numbers is due to the more targeted, risk-based training approach.

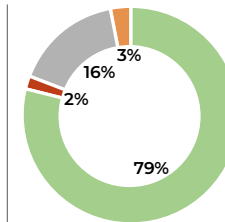
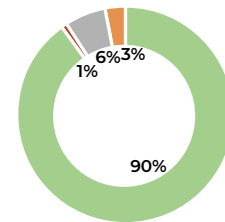
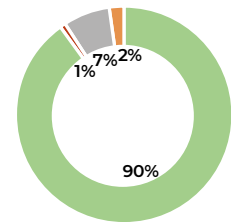
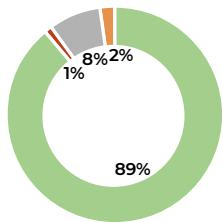
Breakdown by region

● Africa ● Asia ● Australia ● Europe and FSU ● Latin America ● North America



Breakdown by organisation type

● Industrial Asset ● Corporate Office ● Marketing Office ● Warehousing



* Completion percentages show completion rate of all employees and relevant contractors assigned to the given eLearning on Glencore's main Learning Management System in 2021. Audience: employees and contractors with regular access to a work computer, and in the case of the specific risk eLearnings, those employees and contractors who are, due to the nature of their roles, more exposed to conflict of interests, bribery and corruption or sanctions risks.

Training and awareness continued

Training statistics continued

Number of employees completing anti-corruption sprints in 2021

Sprint 1: Improper benefits

1,275

99.7%

Covers how offering bribes (or other improper benefits) can have serious consequences and guides employees on how to identify red flags and where to go for help.

Sprint 2: Spotting anti-corruption and bribery red flags

1,293

99.5%

Covers the importance of recognising red flags, and what to do and where to go if something feels suspicious.

Sprint 3: Third-party due diligence and management

1,574

99.8%

Covers the importance of knowing who our business partners are and managing the risks they expose us to. This sprint was rolled out in a game format to help employees better understand what process to apply for the different types of Glencore business partners.

Sprint 4: Gifts and entertainment

1,715

96.4%

Covers how to deal with gifts and entertainment. Employees had to navigate tricky situations around gifts and entertainment involving public officials, as well as existing and potential customers.

Feedback received on the sprints

After launching the first and third sprint, we conducted a survey for feedback on this new style of training.

58%

rated the sprint as excellent.

86%

said it was compact, but informative and engaging (compared to the longer, traditional eLearning or in-person trainings).

95%

rated the length (approx. 10 minutes) as perfect.

Employees also highly rated the relevance of the scenarios to their daily work, the embedded engaging video, the refresher points, interactive style, as well as the illustrations/animations and more approachable tone of voice.

Number of employees completing compliance eLearnings in 2021

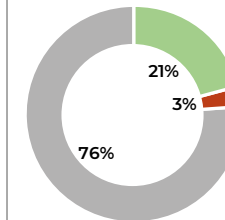
General Data Protection Regulation (GDPR)

1,236

99.4% completions

Covers definition of personal data, GDPR and key data processing principles and how we deal with data breaches.

Industrial Asset Warehouse MarketingOffice



Audience: European-based Glencore employees that have regular access to personal data or sensitive personal data.

Training and awareness continued

Training statistics continued

Number of employees attending in-person training on key compliance risks in 2021

Anti-corruption and bribery

3,104

in 124 sessions

Audience: employees and contractors especially exposed to bribery and corruption risks due to the nature of their role.

Sessions tailored to employees in various functions using scenarios relevant to their roles.

Market conduct

680

in 59 sessions

Audience: Employees especially exposed to market conduct risk, particularly traders and commodity benchmark contributors and employees communicating and dealing with price reporting agencies.

Sessions tailored per commodity and topic in focus.

Competition law

747

in 20 sessions

Audience: employees especially exposed to competition law risks, particularly traders, traffic managers, heads of department and business development employees.

Sessions tailored to the different commodity departments.

Live workshop on ethics, bribery and corruption, sanctions, money laundering, facilitation of tax evasion, and conflicts of interest

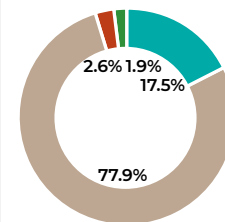
316

in 18 sessions

Audience: senior marketing office employees especially exposed to bribery and corruption, sanctions and money laundering risks.

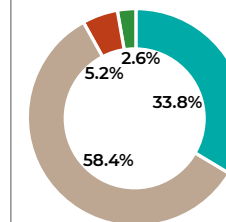
Highly interactive sessions on how to identify red flags. Case studies focused on how these key risks might present themselves in real situations and how to mitigate exposure.

Overall impression of the training



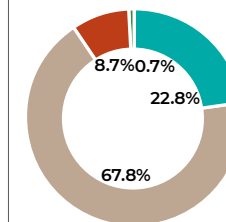
- Outstanding
- Good
- Could be better
- Poor

Did the training improve your knowledge on the topic?



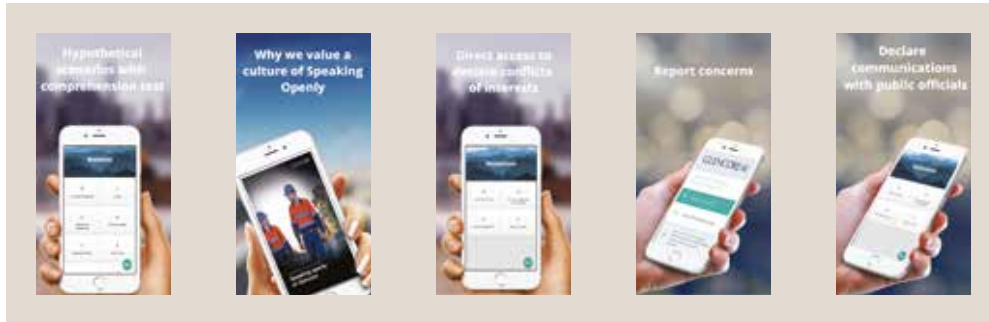
- Very much
- Quite so
- Not really
- Not at all

Trainers' ability to engage participants



- Strong
- Good
- Could do better
- Poor

Training and awareness continued



Ethics and Compliance App

Awareness

Educating employees on compliance includes not only effective training but also regular awareness activities and communication. We use a range of materials to raise awareness, including checklists, bulletins, newsletters, practical guides, videos and 'tone at the top' communications from senior leaders. While tone from the top is key, we understand that in reality most employees interact with middle management. We put significant effort into ensuring that middle management have the tools they need to promote the importance of ethics and compliance. We also encourage and provide forums for employees to promote and discuss our Values and compliance with their colleagues at offices and industrial assets.

Ethics and Compliance App

All employees can access and download our Ethics and Compliance App to their work and/or personal mobile devices. This provides one-click support to employees seeking additional guidance on our policies. Through the app, employees can review the key principles contained in our Code and compliance policies in different languages, directly access the Raising Concerns Platform and the conflicts of interest and gifts and entertainment declaration tools, record communications with public officials, and submit questions to the Compliance Hotline. The app also includes additional resources on ethics and compliance, including a list of scenarios featuring different risks that employees can walk through for extra guidance on making choices that align with our Values.

Events

Ethics and Compliance Days

Our Ethics and Compliance Days are highly popular events which generate lots of buzz. The focus of these days is how we all – in particular our leaders – play a critical role in promoting and ensuring a culture of ethics and compliance. The events give employees the opportunity to engage with, and pose questions to, our senior leadership in panel discussions, participate in interactive workshops facilitated by external speakers, and take part in engaging ethics and compliance activities, games and competitions.

Compliance Summit

This two-day Summit takes place at our headquarters in Baar, Switzerland. This Summit provides guidance and training to our RCOs, LCOs and CCs on key compliance risks, helps them to understand the importance of their role, and offers the opportunity to interact with fellow Compliance colleagues across the globe.



Video of training and awareness



“The Ethics and Compliance Days were very informative and a great opportunity to understand our leadership’s perspective on Ethics and Compliance-related topics.”

Mark Francis
Operations Manager Iron Ore

In 2021 we had an additional

18,000

clicks in the app compared to 2020, from employees located in over

35
countries

Advice

One key way we know our Programme is working is through the increasing frequency and complexity of advice sought by the business.

This is a very gratifying aspect, as we witness colleagues recognising when business interactions may present risk and escalating them to Compliance in real-time.



“You know our training has really hit the mark when employees within the business come to the right decision or course of action on their own. They come to Compliance seeking reassurance that their understanding of the risks is right. It’s there where you see first-hand how the efforts we’ve made to make our training engaging and relevant to employees’ roles and daily activities, has made a difference.”

Monica Cuan, Head of Training, Awareness and Policies



Monitoring

We continuously monitor and test the implementation of our Programme in order to determine its effectiveness, and that it is operationalised and embedded into business operations.

Monitoring activities also enable us to identify opportunities for improvement (OFI) that help develop and evolve our Programme and respond to changes in our business, the environments we operate in and applicable laws and regulations.

Programme management

We have implemented a number of systems across the Group to manage our Programme and to ensure that we consistently collect, analyse, manage, track and report on our compliance data.

Furthermore, we have developed Key Performance Indicators (KPIs) and metrics, as well as a maturity assessment methodology, as part of our monitoring activities.



“Within our monitoring activities, we combine risk management, auditing and data analytics experience to provide valuable insights that help enhance our Programme and respond to the changes in the compliance risk environment.”

Matteo Vitali
Head of Compliance Risk Assessment and Monitoring

Group Compliance Manager

Group Compliance Manager is the main system used by Group Compliance to manage and evidence the implementation of our Programme. The system is provided by Corporate Governance Risk (CGR), an Australian enterprise risk management software provider. The Group Compliance Manager serves many purposes. It is the source of all information regarding implementation of our Programme so we have visibility into the offices and industrial assets across our business. It includes all relevant information regarding our offices and industrial assets and is intended to be the ‘single source of truth’.

The Group Compliance Manager is composed of a number of registers and is applied in all offices and industrial assets in our Programme.

The CGR software offers the possibility to collect different information in a structured way, logged into different forms and different modules. Some forms are used by employees to provide details on particular issues or to seek approval. Other parts of the system are exclusively used by Compliance. The collected information is not only stored, but the system also allows different workflows to be built. For actions that require follow up, the system can assign responsible owners and track completion.

Examples of tracked data include:

- progress of local risk assessments, and closure of planned controls identified as part of the local risk assessments process
- implementation status of compliance policies, standards, procedures, and guidelines for a given office or industrial asset
- communications with public officials
- conflicts of interest and gifts and entertainment declarations
- trainings planned and completed, including numbers of sessions and attendees
- opportunities for improvement identified by the Risk Assessment and Monitoring team as part of its monitoring activities, and
- concerns raised locally at the office or industrial asset.

The various modules are integrated into a single dashboard which allows Compliance to track and analyse trends over time. It is also used by Corporate Compliance for management reporting and to monitor implementation of various cyclical and non-cyclical compliance activities, prioritise compliance matters across the regions, and monitor overall Programme status and implementation.

Monitoring continued

Programme monitoring

The Risk Assessment and Monitoring team in Compliance was established to assess the implementation of our Programme, measure its efficacy, and identify areas where we can improve implementation of the Programme. Team members are experienced in risk assessment, auditing and data analytics.

At the end of each year, the team drafts an Annual Monitoring Plan, setting out its monitoring activities for the following year. It performs two types of monitoring: on-site and desktop reviews.

On-site reviews are visits to our offices and industrial assets to assess the implementation of our Programme. These visits typically take place every three years but can take place more often, where required. Prior to arriving on-site, the Risk Assessment and Monitoring team issues an information request to the site and reviews the local risk assessment report.

Once on-site, the Risk Assessment and Monitoring team:

- conducts interviews and process walkthroughs
- reviews relevant accounts, selects samples and performs testing
- conducts awareness testing using questionnaires specific to the offices and industrial assets, and
- identifies and escalates high-priority observations, as well as any potential breaches or violations.

In 2021, the Risk Assessment and Monitoring team conducted

14

on-site reviews focusing on KYC, third party due diligence, conflict of interest and interactions with public officials. Due to the Covid-19 pandemic, these reviews were performed remotely.

Desktop reviews assess transactions, processes and systems (e.g. Group ERP, and trading platforms) that can be accessed centrally in order to review the effectiveness of and adherence to, compliance processes and controls. In addition, they review the effectiveness, calibration and operation of Group Compliance's centralised processes, systems and controls (e.g. conflict of interest, Raising Concerns programme management and investigations).

A key component of desktop monitoring is transaction monitoring. The Risk Assessment and Monitoring team previously conducted transaction level review using manual sampling. In 2019, it engaged a third party to assist in the design and execution of a bespoke system-based monitoring analytics programme for transactions and activities that represent an elevated level of compliance risks, including bribery and corruption.

In 2021, we implemented an in-house data analytics programme on our marketing ERP system, trading platforms and expense management system. With the help of data visualisation software, it has dashboards that allow the easy viewing and selection of transactions that may present an increased risk.

Following the on-site or desktop review, the Risk Assessment and Monitoring team summarises the results of the review in a report, including proposed OFIs. The report is discussed with the industrial asset or office management team and Regional Compliance, and is then reviewed and approved by the Head of Compliance. Reports are circulated to the relevant Regional and Local Compliance teams and relevant stakeholders in the business. Any identified OFIs are assigned to the most appropriate owners to action and are uploaded in the Group Compliance Manager to enable the Risk Assessment and Monitoring team to track progress towards completion – an important element of the monitoring process. The Risk Assessment and Monitoring team reviews the open OFIs in the Group Compliance Manager, detailing the open actions and the number of days open (due) or overdue. Team members follow up with the relevant Regional and Local Compliance teams to ensure the timely closure of OFIs.

Monitoring continued

Group Internal Audit provides a further level of assurance over our Programme and complements the work of the monitoring programme. As part of developing its annual internal audit plan, Group Internal Audit conducts interviews with senior managers and with Group Compliance to obtain input on high-risk areas, including compliance risks.

Group Internal Audit conducts different types of audits ranging from site audits where they audit a range of controls and processes at a particular office or industrial asset (for example, conflicts of interest, gifts and entertainment, market conduct) to thematic audits, where they audit a particular control or process across the Group (in 2021 this included the Business Partner

Management Framework – see page 55). At the time of the relevant audit, Group Internal Audit coordinates with Group Compliance to ensure that its work is focused and builds on the work of the Risk Assessment and Monitoring team.

Following each Internal Audit engagement, a written report is prepared and issued by the Head of Group Internal Audit, and the results are communicated to the Audit Committee.

Importantly, Group Internal Audit’s findings related to our Programme are reported to the Head of Compliance, and the Risk Assessment and Monitoring team.

In 2021, Internal Audit initiated a thematic review of our KYC and Third Party Due Diligence programmes, assessing the level of implementation of

5

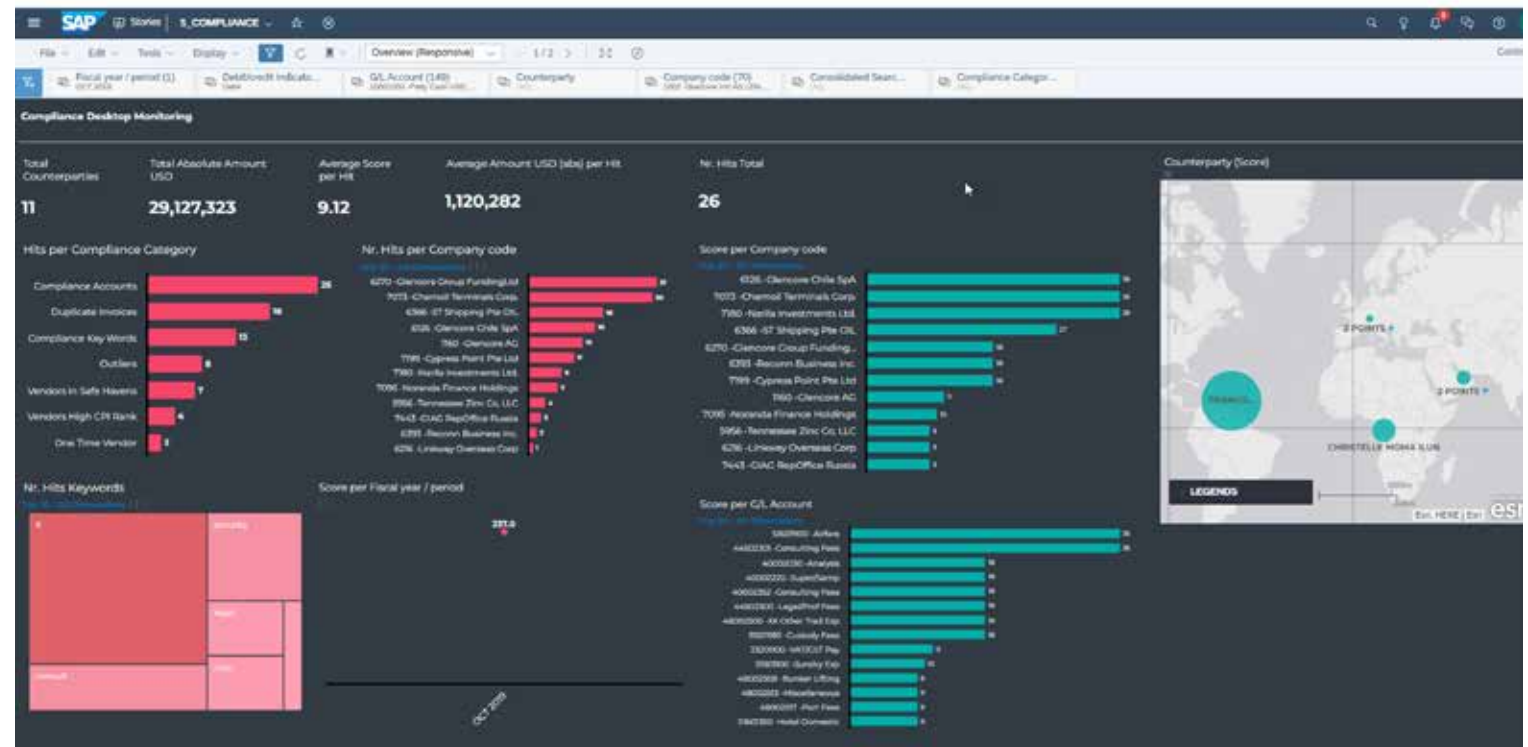
standards and procedures.

The first phase of the review looked at

12

offices and industrial assets across the Group.

Compliance desktop monitoring example: SAP data visualisation



Whistleblowing framework

We understand that a critical element of an effective ethics and compliance programme is having a culture in which our people feel comfortable raising concerns knowing they will be properly addressed, or investigated, and knowing appropriate action will be taken. Our Code and policies require employees and contractors to speak openly and raise concerns about possible breaches of our Code, policies or the law.

We encourage whistleblowers to first raise concerns with their 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 members of senior management at the office or industrial asset.



“Concerns brought to our attention by whistleblowers are greatly beneficial in the detection of misconduct. Protecting whistleblowers and encouraging the raising of concerns is critical to supporting an open culture and encouraging our Value of integrity which is essential to Glencore’s success.”

Jason Scholtz
Head of Raising Concerns Programme and Investigations

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 Baar, 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 our offices and industrial assets.

We have a comprehensive suite of documents which establish a framework for managing concerns, including our Whistleblowing Policy. This policy encourages employees 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.

All concerns are taken seriously and handled promptly, using an objective, fact-based rationale. The classification of the concern determines how it will be managed and investigated, whether it is handled by Corporate or the relevant commodity department.

Our Raising Concerns Procedure sets out the process for the classification, tracking and reporting of concerns received into the Raising Concerns Programme in a manner consistent with our Whistleblowing Policy. This intake process is critical and we have sought to ensure that we have a nuanced, sophisticated process which is conducted by experienced compliance professionals with senior oversight. Factors such as the seniority of those involved in the alleged breach, the consequence of the breach, and whether the conduct is ongoing, systemic or deliberate are taken into account. In certain cases, a single factor may be sufficient to support the classification of a concern, but in other instances a combination of factors may be relevant.



Find out more

Whistleblowing framework continued



The following are examples of compliance-related concerns that would typically be classified as High severity:

- Criminal, fraudulent, or corrupt practices, including payment of bribes to state-owned entities or public officials.
- Use of any Glencore funds or resources as contributions to political campaigns, political parties, political candidates, or any affiliated organisations.
- Use of charitable donations as substitute for political contributions.
- Non-compliance with competition laws.
- Non-compliance with sanctions.

- Participation or assistance of a third party in money laundering.
- Use of inside information when making decisions on when to deal in Glencore/ other publicly traded securities.

Sexual assault by any person regardless of seniority, and unlawful discrimination, workplace harassment or bullying by senior management are further examples of human resource related concerns that would typically be classified as High.

We recognise the critical importance of conducting appropriate investigations and have various procedures that regulate this process.

Our Corporate Investigations Procedure ensures concerns investigated by Corporate functions are performed consistently and effectively. It also sets out the importance of protecting the confidentiality of information relating to an investigation.

Our Local Concerns Management Standard sets out the minimum requirements for our offices and industrial assets on the procedures, processes and tools in place or to be established to ensure that the classifying, tracking, managing, investigating, and potential escalating of concerns at the local level are performed in line with our Whistleblowing Policy, and the Raising Concerns Procedure. If a concern is received at the local level and classified as High, it is required to be reported to Corporate within 24 hours.

We carefully track all concerns to ensure they are investigated and closed out within our Raising Concerns system, including any related remediation. We analyse the data arising from the Raising Concerns Programme in order to identify any potential trends and areas where specific focus will be required, including through benchmarking against relevant third party data.

We look at the number, nature and severity of the concerns raised, as well as the department and geography. We carefully monitor the time taken to close investigations as well as substantiation rates.

Corporate Compliance provides quarterly updates on the Raising Concerns Programme to management through the ESG and the RCIC Committees. The Board also receives quarterly updates.

Whistleblowing framework continued

In 2021, the Raising Concerns Programme received

426

concerns

(2020: 413)

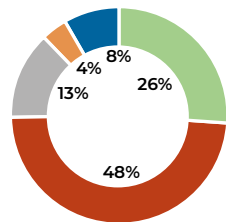
As at 10 January 2022, 308 of the 426 concerns received in 2021 were closed, taking an average of

30 days

to close

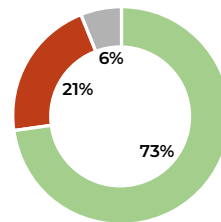
(88 days for 321 concerns received in 2020)

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%)

Raised via



- Web – 311 (73%)
- Phone – 86 (21%)
- Email/Other (such as direct contact with compliance/asset management) – 29 (6%)

In 2021, there were

51

instances of discipline applied in respect of concerns received.

This included **nine** terminations, **four** suspensions and **three** removals of contractors from site. Other disciplinary measures included written warnings, mandatory counselling and/or coaching, and vendors being blocked from doing business with us.

Raised anonymously

75%

(82% in 2020)

Concerns substantiated/partially substantiated as a percentage of concerns investigated and closed during 2021

33%

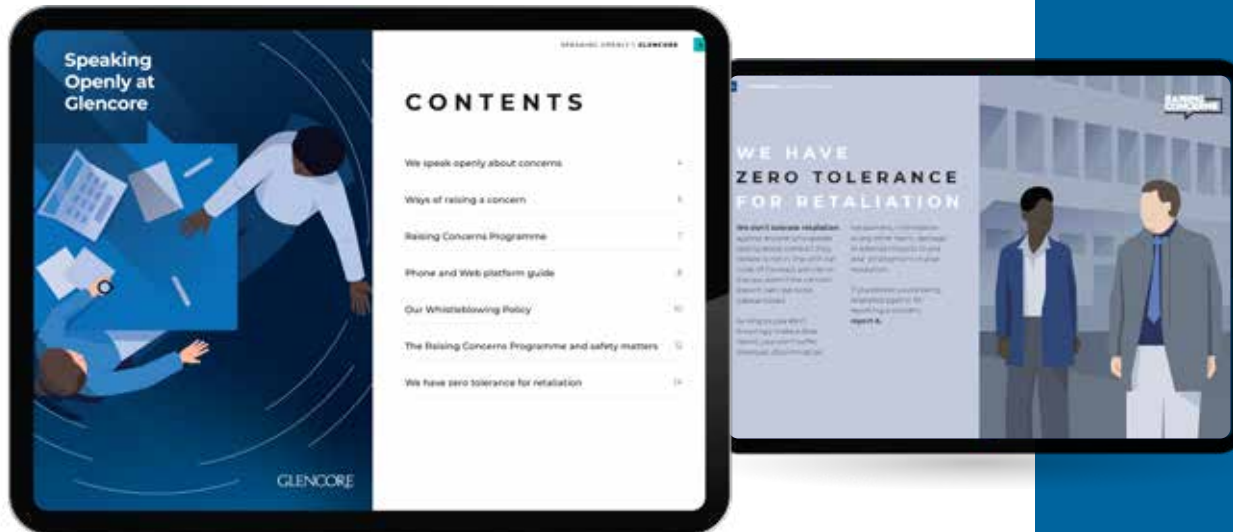
(42% in 2020)

Whistleblowing framework continued

Promotion of a speaking openly culture

We actively promote our Raising Concerns Programme and its various reporting channels. Our global Speaking Openly campaign, which we ran this year, reinforced our commitment to an open culture where employees feel comfortable raising concerns – something that is integral to the successful implementation of our Code.

We use a wide range of materials to promote the Raising Concerns Programme, including posters, newsletters, animations, talking points for managers and videos. We share data on the concerns received and anonymised case studies so that employees can see our Programme is working.



Case study

Failure to declare a conflict of interest

One concern reported to the Raising Concerns Programme involved a Glencore supervisor who had had a relationship with a representative of a Glencore supplier, which was leveraged by the supervisor to receive services paid for by the supplier. The concern also noted that the supervisor appeared to approve an excessive number of orders from the supplier.

All information available was reviewed and interviews conducted.

While the investigation found no evidence that Glencore received anything of value to influence the choice of supplier, it was determined that the supervisor did have a relationship with the supplier representative which should have been declared, as per our Conflict of Interest Policy. The review also established that the supervisor had engaged in order splitting to stay below authorisation amounts. On this basis it was concluded that the supervisor had ordered and authorised goods in contravention of Glencore procedures and good practice.

Disciplinary action in accordance with local law was instituted against the supervisor, and a formal written warning valid for 24 months was issued for failing to declare the potential conflict of interest and engaging in order splitting. The investigation also identified several opportunities for improvement, including eliminating the risk of the same person purchasing, authorising and receipting ordered goods.

Discipline and incentives

We expect all employees to act in accordance with our Values, Code and policies, regardless of role or location. We take breaches of our Code and policies seriously. Anybody working for Glencore who breaches our Code, policies, standards, procedures, or the law, may face disciplinary action, including dismissal.

Group HR is responsible for managing the various incentive mechanisms and standards. For example, in the marketing offices, Group HR has implemented specific requirements for the determination of pool bonuses available to marketing employees, which includes consideration of: (a) any disciplinary action taken against the participant during the year; and (b) the participant's behaviour during the year and the extent to which he or she demonstrated a commitment to Glencore's Values and the Code.

As another example, the KPIs considered in determining the CEO's bonus include specific objectives relating to compliance and the underpin for his long-term incentive includes ESG performance, of which culture and compliance are important.

UK Corporate Governance Code considerations

Our Remuneration Policy, established by the Remuneration Committee and approved by shareholders at the 2021 Annual General Meeting, addresses the remuneration factors set out by Provision 40 of the UK Corporate Governance Code:

UK Corporate Governance Code factors	Glencore's response
Clarity: remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce.	Our remuneration policy and pay arrangements are clearly disclosed each year in the Annual Report. The Remuneration Committee proactively seeks engagement with shareholders on remuneration matters.
Simplicity: remuneration structures should avoid complexity and their rationale and operation should be easy to understand.	Our remuneration structure comprises fixed and variable remuneration, with the performance conditions for variable elements clearly communicated to, and understood by, participants. The Restricted Share Plan (RSP) provides a simple and transparent mechanism for aligning Executive Director and shareholder interests.
Risk: remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated.	The rules of the annual bonus scheme and RSP provide suitable mechanisms for the Committee to reduce award levels and are subject to malus and clawback provisions. The RSP reduces the risk of unintended remuneration outcomes associated with complex performance conditions associated with other forms of long-term incentive. The comprehensive RSP underpins also mitigate the risk of payments for failure.
Predictability: the range of possible values of rewards to individual directors and any other limits or discretions should be identified and explained at the time of approving the policy.	The RSP increases the predictability of reward values (removing the risk of potentially unintended outcomes). Maximum award levels and discretions are set out in the policy tables and the policy includes scenario charts showing the potential outcomes on a range of assumptions.
Proportionality: the link between individual awards, the delivery of strategy and the long-term performance of the Company should be clear. Outcomes should not reward poor performance.	Variable performance-related pay represents a significant proportion of the total remuneration opportunity. The Committee considers the appropriate financial and personal performance measures each year to ensure that there is a clear link to strategy. Discretion is available to the Committee with the ability to reduce awards if necessary, to ensure that formulaic outcomes do not reward poor performance.
Alignment to culture: incentive schemes should drive behaviours consistent with company purpose, values and strategy.	The Committee seeks to ensure that personal performance measures under the annual bonus scheme incentivise behaviours consistent with the Company's Purpose, Values and culture. The RSP will clearly align the Executive Director's interests with those of shareholders by ensuring a focus on delivering against strategy including strategy related to environmental, social and governance factors to generate long-term value for shareholders.

(Extracted from the Annual Report)

Key topics

Introduction	42
Anti-corruption and bribery	43
Conflicts of interest	47
Fraud prevention	48
Sanctions and trade controls	49
Anti-money laundering	50
Competition law	51
Market conduct	52
Information governance and data protection	53



Introduction

Our Programme addresses eight key topics:

 Anti-corruption and bribery

 Conflicts of interest

 Fraud prevention

 Sanctions and trade controls

 Anti-money laundering

 Competition law

 Market conduct

 Information governance and data protection

Each of our Programme topics are addressed in a formal policy, and many have standards, procedures and guidelines that supplement or provide further guidance to employees regarding the implementation and controls surrounding the policy. A number of these topics are also covered in internal Group Compliance manuals.

Several other policies which support our Programme are issued by functions other than Group Compliance, including:

- Group Sustainability's Political Engagement Policy, and
- Group HR's Equality of Opportunity Policy.

Other relevant documents include:

- our Supplier Standards which address our expectations of suppliers, including ethical business practices, supply chain due diligence designed to identify modern slavery, other human rights abuses and conflict minerals and metals where there is often a nexus with corruption and money laundering, expenses and petty cash reporting, and
- the Mandatory Compliance Training Escalation Procedure, which is jointly owned by Group HR and Group Compliance.



Find out more

Anti-corruption and bribery

Our Anti-Corruption and Bribery Policy is clear: the offering, providing, authorising, requesting or accepting of bribes is unacceptable, and we do not engage in corruption or bribery, including making facilitation payments. We assess corruption risk within our businesses and work to address these risks through policies, standards, procedures, and guidelines on various topics.

Political contributions

We do not contribute any of our funds or resources to any political campaign, political party, political candidate or any such affiliated organisations.

Political engagement

Although we do not directly participate in party politics, we do engage in policy debate on subjects of legitimate concern to our business, employees, customers, end users and the communities in which we operate. All officers, employees and persons who lobby on our behalf must comply with all relevant Glencore policy and procedural requirements and all applicable legislation (including, but not limited to, the laws and regulations relating to registration and reporting).

Political Engagement Policy

This policy, issued by Group Corporate Affairs, sets out our approach and general requirements in connection with our engagement in the political process and commitment to operate transparently and in line with our Values and our Code.

Political Engagement Procedure

This procedure, issued by Group Corporate Affairs, sets out the specific steps we take to ensure we comply with the requirements in our Political Engagement Policy.

Sponsorships, charitable contributions and community investments

We never make a sponsorship, charitable contribution or community investment in order to disguise a bribe, or to gain an improper business advantage.

We ensure that when we make sponsorships, charitable contributions or community investments we conduct risk-based due diligence and when required, we monitor the appropriate use of our funds or resources.

Gifts and entertainment

We only give and accept reasonable, appropriate and lawful gifts and entertainment that satisfy the general principles of our Anti-Corruption and Bribery Policy and are not given or received with the intent or prospect of influencing the recipient's decision making or other conduct.

We have requirements for pre-approval of gifts and entertainment based on localised thresholds, and additional requirements regarding public officials.

Gifts and Entertainment Standard – Marketing and Gifts and Entertainment Standard – Industrial Assets

Our Gifts and Entertainment Standard – Marketing applies to our marketing activities while our Gifts and Entertainment Standard – Industrial Assets applies to our industrial activities. Both standards require offices/ industrial assets to establish a local gifts and entertainment procedure. The purpose of the standards is to:

- set out the requirements for giving and receiving gifts and entertainment to include in a local procedure, and
- provide guidance on the application and interpretation of these requirements.

“My team regularly interacts with public officials to discuss national regulations, our Code, policies and procedures. In these interactions, we are very clear with respect to Glencore’s position. We keep track in our system of all interactions and written communications with them. We are proud to say that we have built up a relationship of trust and frank collaboration through these exchanges. They’ve served well in aligning our positions and expectations, and ultimately strengthen the rule of law and a culture of ethics and compliance in the region.”

Samy Doss, Regional Compliance Officer, Central and North Africa

Anti-corruption and bribery continued

Interactions with public officials

Deals with public officials bring a higher risk of perceived bribery, so we are especially careful in our interactions with them and have various requirements that guide how we interact with public officials in order to mitigate corruption risks.

Employees must report requests for inappropriate or illegal payments.

Payments and Assistance to Public Officials Procedure

This procedure applies to both our marketing and industrial activities. It is applicable to Compliance, who must, in consultation with the Legal team as necessary, implement the procedure in each office and industrial asset. It sets out the steps Compliance must take to ensure we manage the corruption risk associated with payments and assistance to public officials. It also sets out requirements for payments to governments or government bodies.

For example, in certain jurisdictions where we operate, we are required to make payments to public security forces who are dedicated to securing our operations. The Payments and Assistance to Public Officials Procedure sets out the steps Compliance and the business then have to follow.

Communicating with Public Officials Guideline

This guideline applies to our industrial activities and provides guidance on how to communicate with public officials, particularly in high-risk jurisdictions. The guideline identifies processes for:

- communications with public officials, and
- dealing with unscheduled communications from public officials.

Communicating with Public Officials Guideline – Oil Marketing

This guideline applies to our oil marketing activities and gives guidance on how to communicate with public officials. The guideline sets out:

- a process governing communications with public officials, and
- a process for dealing with unscheduled communications from public officials.



Find out more

Case study

Our Kazzinc Partners' Forum

In December 2021, the Kazzinc Partners' Forum was held in Kazakhstan, gathering over 100 participants including contractors and suppliers of Kazzinc, governmental, public and non-governmental organisations.

Speakers from Kazzinc explained in detail the procedures their potential business partners must go through. Special focus was given to tax legislation and Glencore requirements. Governmental authorities provided information on anti-corruption, labour and environmental laws as they relate to their engagement with Kazzinc.

"It is no coincidence that we dated this event for 9 December – the International Anti-Corruption Day. In this way, we wish to demonstrate that Kazzinc acts resolutely against any malpractice, whatever form it may take. In the future, we expect that the forum will become a permanent and effective platform for dialogue."

Alexandr Khmelev, Kazzinc CEO



Anti-corruption and bribery continued

External engagement

Anti-corruption organisations

We are a member of the Partnering Against Corruption Initiative (PACI) whose members collaborate on collective action and share leading practice in organisational compliance. PACI has a commitment of zero tolerance to bribery and requires its members to implement practical and effective anti-corruption programmes.

We are also an associate member of the Maritime Anti-Corruption Network (MACN). This global business network works towards the vision of a maritime industry free of corruption that enables fair trade for the benefit of society at large. MACN and its members raise awareness of the challenges faced; implement the MACN Anti-Corruption Principles and co-develop and share best practices; collaborate with governments, non-governmental organisations, and civil society to identify and mitigate the root causes of corruption; and create a culture of integrity within the maritime community.

We actively participate in PACI and MACN's annual events and have incorporated guidelines from both organisations into our Programme.

In 2021, we participated in a working group set up by the National Resource Governance Institute to develop guidance for the partners of state-owned enterprises.

Events

We recognise that as a large multinational company we have a significant influence in the regions where we operate, through the employees and contractors that we employ, and our substantial procurement spend and support for local communities. We therefore believe it is important that we support local anti-corruption and bribery efforts by clearly communicating our commitment to responsible and ethical business practices and articulating the standards that we expect from our suppliers.

Case study

Collaborative dialogue in the Democratic Republic of Congo (DRC)

On 14 December 2021, Glencore DRC organised a day of exchange in Kinshasa to present our activities in the DRC, particularly those of our mining operations at Kamoto Copper Company and Mutanda Mining. We took this opportunity to present our new Code to the audience, as well as our Purpose and our Values.

The event was attended by the DRC Prime Minister, Jean-Michel Sama Lukonde Kyenge, the DRC Vice-Minister of Public

Health, Hygiene and Prevention, Véronique Kilumba Nkulu, as well as representatives of the Presidency of the Republic.

The DRC Prime Minister concluded the event by thanking Glencore for its investment in the DRC and reiterating his commitment to improving the value chain in production and the infrastructure on the ground, to enable us to take the raw minerals mined in the DRC and produce the final product.



Anti-corruption and bribery continued

Transparency

We are an active supporter of the Extractive Industries Transparency Initiative (EITI), a multi-stakeholder initiative between governments, companies and civil society, which promotes the open and accountable management of extractive resources.

Each year, we report our total tax/royalty to governments and provide country-by-country and project-by-project information. Additionally, and where applicable, we have aligned our reporting on such payments with the requirements of Chapter 10 of the European Union Accounting Directive.



“Our corporate purpose is to responsibly source the commodities that advance everyday life. For Glencore, this commitment includes implementing high standards of corporate governance and transparency. We welcome fiscal transparency, as it encourages the responsible management of revenues from extractive activities.”

Steven Kalmin
Chief Financial Officer

Case study

Beneficial Ownership Transparency (BOT) Forum

On 7 September 2021, we participated in the BOT Forum organised by the EITI. This forum engaged representatives from government, oil, gas and mining companies, and international accounting and advisory firms, to highlight the importance of beneficial ownership information in ending the abuse of anonymous companies and combatting corruption and financial crime. At the forum, together with five other companies in the extractives industry, we signed the ‘Statement by Companies’ committing to:

1. Promote global adoption of beneficial ownership transparency and reforms.
2. Disclose beneficial ownership data and company ownership information.
3. Identify and use beneficial ownership data in due diligence processes.

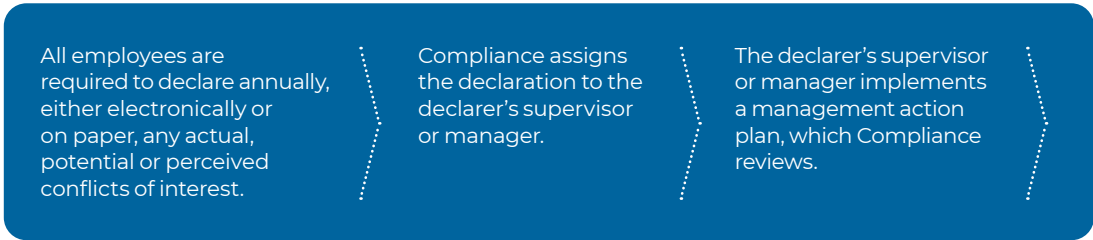


Conflicts of interest

Our Conflict of Interest Policy requires that each of us always act in Glencore's best interests and try to avoid actual, potential or perceived conflicts of interest. Where they arise, we promptly declare conflicts so we can take appropriate steps to manage them and reduce the risk they present.

Conflict of Interest Management Procedure

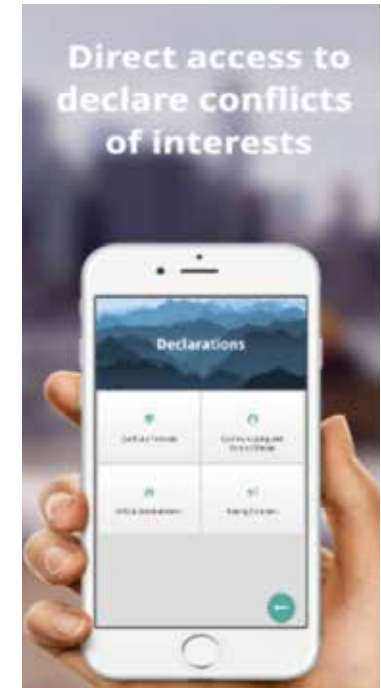
This procedure sets out the required steps to ensure that conflicts of interest are managed in a timely manner and monitored.



- Declarations can be made:**
- electronically through the platform (coi.glencore.net)
 - via the Ethics and Compliance App
 - via paper forms

Annual training:

All high-risk employees must complete a Conflict of Interest e-Learning (followed by a request to declare any conflicts), a Code of Conduct e-Learning (followed by a request to declare any conflicts), and an in-person anti-corruption and bribery training.



Find out more

Fraud prevention

Our Fraud Policy sets out our commitment not to engage in fraudulent behaviour. We do not knowingly assist or facilitate any third party to commit fraud.

Group Finance supports the implementation of our Fraud Policy through its Financial Risk and Assurance Framework and supporting procedures and standards.



Find out more

Sanctions and trade controls

Our Sanctions Policy sets out our commitment to complying with all applicable sanctions, appropriately managing sanctions risk and not participating in transactions designed or intended to evade applicable sanctions.

To manage our sanctions risk exposure and ensure compliance, we implement a range of controls and processes. These include screening and conducting due diligence on our counterparties and vessels, using a risk-based approach to determine whether they are a sanctions target, subject to sectoral sanctions, or otherwise attract sanctions risk.



“As a multinational commodity trading and mining company, we are required to follow various laws and regulations across the globe.

At Glencore, we abide by all applicable sanctions; but we go one step further – we also adhere to US, EU, UN, and Swiss sanctions, irrespective of whether we are legally required to or not.

The ever-changing sanctions environment requires my team and me to always be up-to-date and quick to respond. To have global responsibility for this area is both challenging and exciting.”

Lina Oswald
Head of Sanctions, AML and KYC

Case study

External assessment of our sanctions screening controls

Glencore engaged KPMG to conduct an independent assessment of the end-to-end sanctions screening controls in Glencore’s marketing business (the screening process).

The objectives of the review were to understand:

- whether the current screening process is functioning in line with Glencore’s requirements and in line with regulatory expectations and observed good industry practice; and

- the current screening solution vendor landscape, the key features of vendor offerings and how Glencore’s ongoing screening requirements may be met by alternative screening vendor solutions.

The assessment included desk-based reviews, walkthrough sessions and the use of test files to assess:

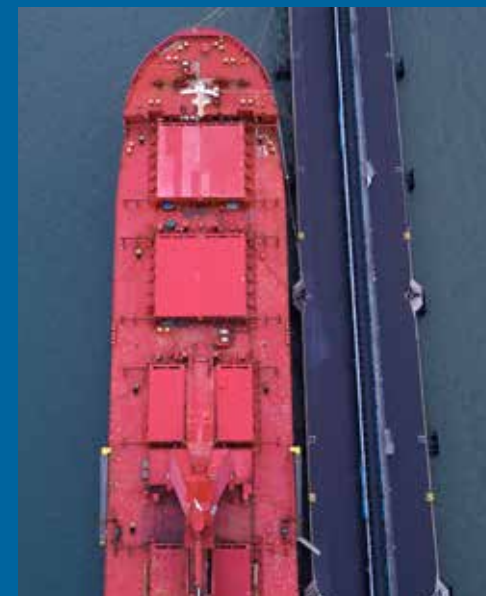
- Data Quality and Completeness – the process by which marketing counterparty and transactional data fields are collated and aggregated for ingestion into our screening systems;

- List Management – the process by which sanctions lists and other watchlists are received, aggregated and ingested into screening systems; and

- Screening Effectiveness – the effectiveness of the screening systems by processing test

files containing names from publicly available sanctions lists.

KPMG made observations and recommendations relating to Data Quality and Completeness, List Management and Screening Effectiveness. KPMG also advised on our list of requirements for our new screening tool, and on the current vendor landscape and offerings that could meet our requirements.



Find out more

Anti-money laundering

Our Anti-Money Laundering Policy sets out our approach to ensuring that we comply with all applicable laws and regulations to prevent tax evasion and money laundering, and to appropriately manage the related risks. We do not tolerate tax evasion of any kind and we do not knowingly or wilfully facilitate tax evasion.

To manage our money laundering and tax evasion risk exposure and ensure compliance, we implement a number of controls and processes including in respect of payments to third parties.

Third Party Payments Procedure – Marketing

This procedure applies to our marketing activities and sets out the steps on how to:

- perform due diligence on non-contractual parties who want to make or receive payments instead of our contractual counterparty
- identify red flags in third party payment structures, and
- document acceptable payments to or from non-contractual parties.

Third Party Payments Standard – Industrial Assets

This standard applies to our industrial activities and:

- requires industrial assets to develop and implement a local procedure setting out the steps on how to deal with payments to and from parties that are not our contractual counterparties
- sets out minimum requirements to be included in such local procedures, and
- provides guidance on the application and interpretation of these principles.

Prevention of Facilitation of Tax Evasion Guideline

This guideline applies to our offices and industrial assets and illustrates the characteristics of tax evasion and facilitation of tax evasion, helping employees to better identify criminal tax evasion arrangements. It provides examples of situations that present an elevated risk of facilitating tax evasion.



Find out more

Case study

Risk of facilitating potential tax evasion

One of our business departments requested onboarding of a trading counterparty based in Hong Kong. During the course of the KYC, the KYC team identified that all employees of the prospective counterparty were located in mainland China, but operate from an office in Hong Kong. After several tax-related follow up questions, the prospective counterparty provided a statement that they are exempted from paying tax in mainland China.

We were also informed that no employees are physically located in Hong Kong. We suspected that the information provided was incorrect, since the prospective counterparty was unable to provide any evidence of the alleged tax exemption. In order to avoid the risk of facilitating potential tax evasion, we declined the onboarding of the prospective counterparty.



Competition law

Our Competition Law Policy sets out our approach to competing vigorously, but fairly and legally. We don't engage in collusion and we don't agree with our competitors, formally or informally, to:

- fix prices
- limit production or supply
- allocate customers or markets
- rig bids
- collectively boycott customers or suppliers.

Dealing with Competitors Guideline

This guideline provides detailed guidance on the key competition law risks employees need to be aware of when dealing with our competitors.

Dealing with Suppliers, Customers, and Agents Guideline

This guideline provides detailed guidance on the key competition law risks we need to be aware of when dealing with suppliers, customers and agents.

Dealing with Merger and Acquisition Transactions Guideline

This guideline provides detailed guidance on the key competition law risks we need to be aware of when involved in M&A transactions.



“Fair competition is key to protecting the integrity of the global marketplace. At Glencore – having received proper training – we are in a position to recognise red flags early. We follow a clear zero tolerance policy when it comes to adherence to our Programme, including anti-competitive, collusive behaviour. This high level of integrity is appreciated by market participants.”

Samuel Imfeld Aluminium trader



Find out more

Market conduct

We have implemented a Market Conduct Compliance Framework centred on the Market Conduct Policy, which articulates our expectations of our employees with respect to market conduct issues. We also have three supplemental guidelines, which apply to all employees:

- Our Market Manipulation Guideline provides explanatory guidance and examples regarding certain topics in the Market Conduct Policy.
- Our Inside Information Guideline provides guidance on how to comply with prohibitions on engaging in insider dealing in commodities.
- Our Benchmark and Price Reporting Agencies Guideline sets out the steps that we take regarding our interactions with price reporting agencies in order to manage the relevant risks.

“Our Market Conduct Programme ensures that we act in accordance with the various exchange and market rules and regulations across the globe. By taking this risk seriously, we help ensure a fair and free market.”

Sidney Vidaver
Head of Market Conduct –
Metals, Minerals and Coal

Case study

Market conduct monitoring systems

In 2021, our Oil business implemented Fairwords, a third-party solution for monitoring electronic communications, across its US trading desks.

Fairwords identifies and risk-rates employee communications as Low, Medium, and High risk, based on search terms that are automatically run through the software. High-risk communications which are escalated typically involve:

- poor or derogatory language usage (i.e., excessive profanity);
 - inappropriate references to trading activity or the activity of counterparties in the market; or
 - inappropriate language used by external parties which was not responded to or refuted properly by our employees.
- Fairwords provided a template lexicon which we reviewed and supplemented to ensure that it adequately covers market conduct and risks of market abuse. The Market Conduct Compliance team periodically reviews the lexicon and updates it based on communications highlighted in recent enforcement actions.
- Our efforts to monitor the Platts window have greatly expanded over the last few years. In late 2020, we gained access to the Platts Window API, a data feed system from Platts which enables us to monitor its activities in the Platts window, and we began to integrate the API into automated report generation. Using the API, the Market Conduct Compliance team generates a report which reflects:
 - levels of market participation for Glencore as compared to competitors, including executed deals;
 - market-making v. price-taking activities; and
 - daily leverage for us against various indices for any Market-on-Close markets in which we are active.



Find out more

Information governance and data protection

Our Information Governance Policy sets out our approach to information governance and ensures that we properly manage data.

Data Protection Standard

This standard sets out the minimum requirements to protect personal data processed within the Group by defining standards to be followed in respect of data protection. It mandates the establishment of a local data protection procedure that meets the requirements of the data protection standard and applicable local data protection laws.

Data Protection Guideline

This guideline gives guidance to our offices and industrial assets on what to consider when drafting a local data protection procedure and details how to implement the procedure locally.

Retention and Destruction Standard

This standard applies to our marketing and industrial activities and supports the Information Governance Policy, by establishing minimum requirements in relation to the retention and destruction of records. This standard further mandates the requirement for a local retention and destruction procedure that sets out the steps an office or industrial asset must take to comply with applicable retention and destruction obligations to manage, retain and destroy records and to make them easily available and accessible, considering specific, local requirements.



“Personal data is exactly that – personal – and so needs to be carefully protected and only used for lawful purposes. In 2021, we revamped our compliance documents on the protection of personal data which are designed to ensure compliance across all our data processing activities.”

Stefan Willmann
Head of Information Governance and Data Protection



Find out more

Our business partners

Business partner management framework	55
Third party due diligence and management	56
Know your counterparty	60
Joint ventures and mergers and acquisitions	60



Our business partners

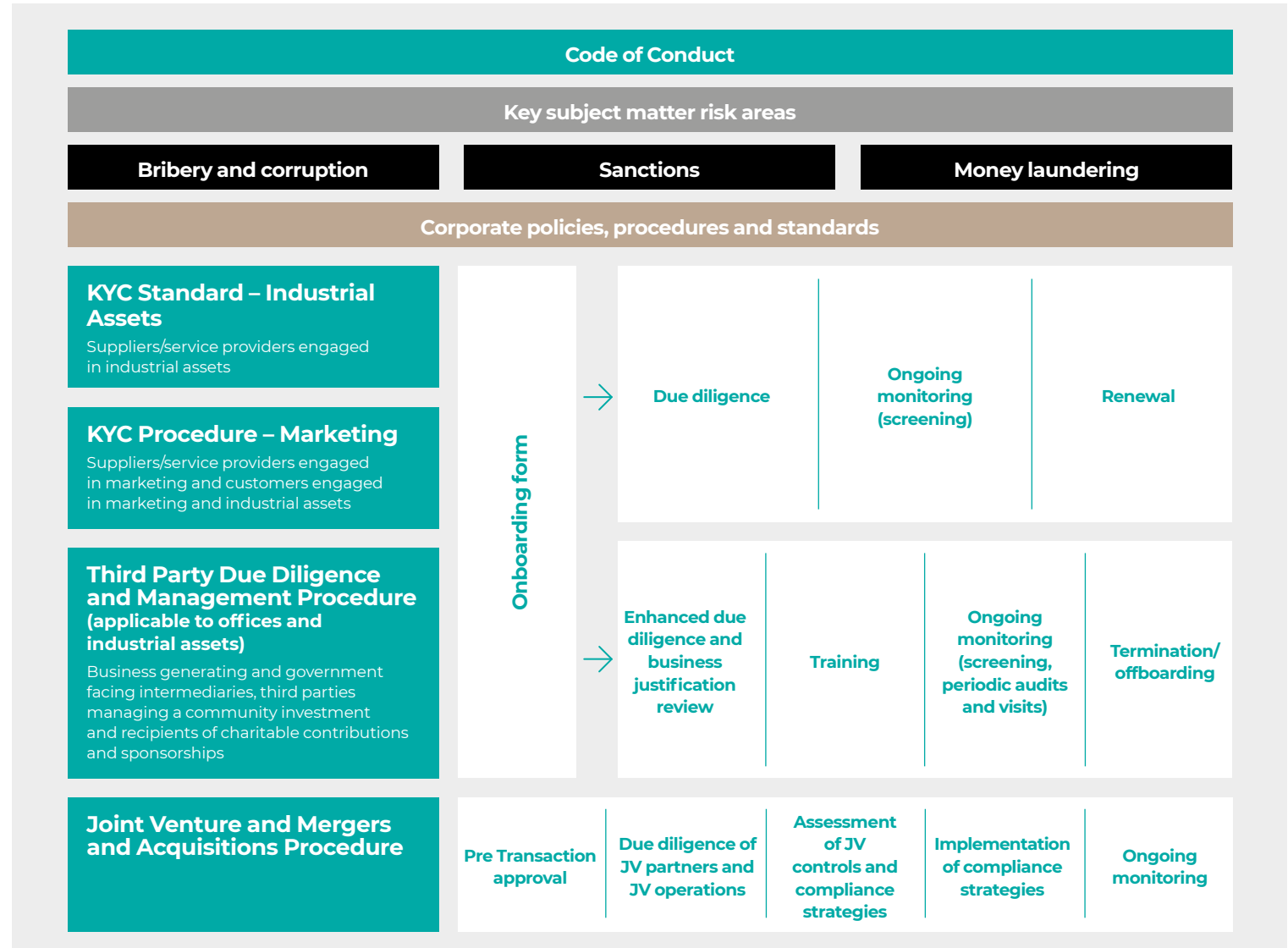
We work with a range of business partners and expect them to share our commitment to ethical business practices. Business partners include our suppliers, customers, joint ventures (JVs), JV partners, service providers and other counterparties.

We have a comprehensive framework for managing the key risks associated with our business partners, from onboarding to offboarding and continuous monitoring. Through this framework, we seek to comply with applicable laws (including anti-corruption and bribery, sanctions and anti-money laundering laws) and to manage the reputational risks that can arise from engaging with certain types of counterparties.

We assert our influence over JVs we don't control to encourage them to act in a manner consistent with our Values and Code.

Business Partner Management Framework

Our Business Partner Management Framework seeks to ensure that all counterparties are assessed based on their risk and then directed to the most appropriate due diligence and management process for their risk level – either KYC or Third Party Due Diligence and Management for our highest risk business partners.



Our business partners continued

Applying a risk-based approach, our procedures require that we obtain beneficial ownership information. We will not partner or contract with any business partners assessed as a high corruption risk that decline to identify their beneficial owners, unless appropriate mitigation measures are implemented to reduce corruption risk.

Third Party Due Diligence and Management

Our Third Party Due Diligence and Management Procedure (TPDDMP) is a standardised procedure across our offices and industrial assets. It sets out a detailed, risk-based assessment process whereby we identify, assess and mitigate the corruption risk exposure of third party relationships that present the highest risk to our business.

Business partners determined as higher risk third parties, include business generating intermediaries (such as sales/purchase agents, distributors, physical brokers, profit share partners, and back-to-back sellers), government-facing intermediaries (such as customs clearing agents/brokers, lobbyists, port agents/agencies, freight forwarders, work permit/visa processors, consultants), and parties responsible for managing community investments and recipients of charitable contributions or sponsorships. Third parties are higher risk because they often act on our behalf, interface with public officials on our behalf, or engage in activities that have been identified as posing a heightened risk from a corruption perspective.



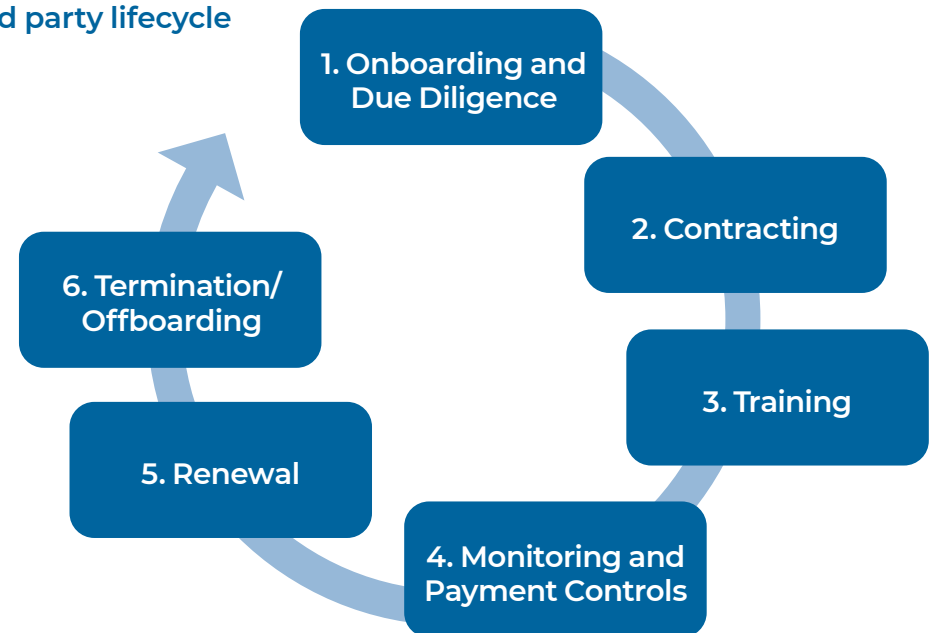
“We have worked diligently over the past several years to update and implement a robust Business Partner Management Framework. Importantly, our role doesn’t end once a business partner has been onboarded; it continues throughout the lifecycle of its engagement.”

Ceri Chave
Head of Anti-Corruption and Bribery

Recognising the inherent risks associated with sales and purchase agents, we have significantly scaled down our engagements with these types of business partners. We only engage sales and purchase agents who provide a clear, tangible service that would otherwise need to be provided by our employees and where we have no office or on the ground presence.

The TPDDMP sets out the steps we take in respect of the management of third parties including onboarding and due diligence, contract terms/scope of services, training, monitoring and payment reviews/controls, renewal, and termination.

Third party lifecycle



Our business partners continued

Onboarding and due diligence

The onboarding phase includes a number of steps such as a risk assessment and due diligence.

After the third party has been classified, the requesting employee:

- completes and submits the relevant internal questionnaire to Compliance for the office or industrial asset, including a business justification for the engagement or transaction; and then
- sends an external questionnaire to the third party, which also outlines the required due diligence documentation.

With the information gathered from the internal and external questionnaires, Compliance risk-rates the proposed third party, considering the following criteria:

- third party risk, that is the type of third party, ownership, experience, and relationship with us;
- country risk, meaning the risks associated with the country in which the services are to be provided; and
- transaction risk, that is the type of transaction, identification of opportunity, proposed type of payment, and our internal capability to perform the services in-house. Based on the risk assessment, Compliance will assign a risk rating of Severe, High, Medium, or Low, to the third party.

High and Severe risk third parties must at this stage be screened against our Declined Parties & Red Flags List, which Compliance maintains, consisting of entities who have been previously rejected or terminated for compliance reasons and with whom we prohibit business interactions. If a proposed third party appears on this list, onboarding will not proceed unless an exception is approved by the Head of Compliance.

Compliance next performs due diligence on the third party. Depending on the third party's assigned risk rating, due diligence requirements include:

- screening of the third party
- completion of an enhanced due diligence report by external service providers
- conducting an interview
- conducting of a reference check
- verification against public online registers
- verification of bank account
- review of compensation
- review of financial statements, and
- identification of other red flags.

Once due diligence is complete, Compliance prepares a Compliance Report which holistically summarises the proposed engagement including relevant third party-related information, the business justification and:

- any concerns or red flags;
- controls and mitigating actions to reduce identified risks; and
- a recommendation from Compliance on whether the third party should be engaged.

This report is reviewed by:

- Compliance per defined approval levels; and
- the Head of Department (for offices) or the CEO, General Manager, CFO, or senior member of management (for industrial assets), who must approve or reject the engagement.

If Compliance and the business cannot reach an agreement on whether to engage a business partner, the engagement will ultimately be escalated to the BAC. Following approval, Compliance ensures that any mitigating controls included in the Compliance Report are recorded on our third party due diligence platform and that any specific controls required prior to engagement are implemented.

Contracting

The TPDDMP does not permit us to engage any third party without a written agreement. Compliance ensures that documentation for the engagement is complete and the relevant documentation is uploaded onto the third party due diligence platform. Compliance works with the business to ensure compliance clauses are included in a written agreement. For third parties ranked as Severe and High risk, the Compliance Coordinator/Officer works with the requesting employee to send the third party an onboarding pack which the third party must follow and includes:

- a letter summarising our compliance requirements;
- a copy of our Supplier Standards;
- a copy of our Anti-Corruption and Bribery Policy; and
- a description of our Raising Concerns Programme.

As of 2021, Glencore's oil marketing business had

0

sales and purchase agents.

Glencore's metals, minerals and coal marketing business engaged only

7

sales and purchase agents, all of whom are subject to stringent due diligence and monitoring.

Our business partners continued

Training

Compliance ensures that third parties on-boarded under TPDDMP receive training in accordance with the Third Party Training and Monitoring (TPTM) Plan. Training requirements for third parties, including the frequency of training, vary according to the third party's risk rating and include digital training as well as in-person anti-corruption and bribery training.

Monitoring and payment reviews/controls

After third parties are engaged, in addition to training, Compliance actively monitors the engagement to ensure that third parties are providing the services they have been contracted to provide, and that they are being paid in accordance with the terms of the agreement.

Compliance and the business work together to manage and monitor third parties in accordance with the TPTM Plan, which outlines requirements for third parties, based on their risk rating and the nature of the third party engagement. The Risk Assessment and Monitoring team and Group Internal Audit function also test the application of the TPTM Plan on an ongoing basis.

For Severe and High risk third parties, a Glencore Business Third Party Manager, an employee within the business who is assigned to work with that third party on a regular basis, must monitor the third party. He or she maintains records of communications and services provided by the third party, informs Compliance of any material changes to the way the third party provides its services, requests and reviews the third party's activity reports: and liaises with the Corporate Compliance Anti-Corruption and Bribery team prior to making any amendments to the third party's terms, commission levels or payment structures.

Group Compliance is required to review and approve in advance the invoices and payments of all Severe and High Risk business generating intermediaries, to confirm that payments are according to the agreed contract rates, and that invoices include necessary details and are itemised to clearly indicate the services provided. There is a hard control in our systems blocking payments to Severe and High risk business generating intermediaries, unless approved by Group Compliance to ensure that no payments to these categories of third parties are made without the necessary approval. Payments to third parties for any work carried out without a written agreement or acknowledgement in place are prohibited without approval from the Corporate Compliance Anti-Corruption and Bribery team.

Case study

Ongoing monitoring of third parties

In 2021, our Kroondal Mine in South Africa entered into a community investment project with a local agricultural training centre in the Gauteng area. The training centre will work with local communities to provide, develop and refurbish agricultural infrastructure, livestock and land, and will also train and mentor the communities, enabling them to become self-sustaining.

Prior to approving this community investment, and in line with the due diligence requirements of TPDDMP, Compliance reviewed the internal questionnaire completed by the industrial asset proposing the investment, as well as the external questionnaire completed by the training centre.

With the information obtained through these questionnaires, Compliance screened the training centre and its employees and prepared a Compliance Report summarising the engagement, the results of the due diligence and controls and mitigating actions. In addition to the usual requirement for the third party to enter into a written agreement with us, in this instance we also required the training centre to provide us with monthly reports detailing how the funds have been spent and how the project is progressing.

In 2021, we commissioned

8

annual full financial audits which were conducted by an external auditor. **Four** were on business generating intermediaries in our marketing business and **four** on government facing intermediaries in our industrial asset business.

The Risk Assessment and Monitoring team in Corporate Compliance initiated a review of

32

High and Severe risk third parties which included a review of onboarding, training and monitoring activities as part of the TDPPMP. All reviews were desktop reviews. Due to Covid-19, we had to postpone on-site reviews.

Our business partners continued

Auditing and site visit requirements for third parties are two fundamental elements of the TPTM Plan. Depending on the third party's risk rating, these requirements may consist of:

- a full financial audit performed by an external auditor;
- a full financial audit performed by Group Internal Audit;
- a site visit by Group Internal Audit; and/or
- a site visit by Group Compliance.

In addition to audits and site visits, Compliance reviews activity reports containing detailed information on the nature of services that the third party performs.

For third parties rated Severe and High risk, Compliance additionally corroborates the information received through the activity reports via semi-annual or annual interviews.

As of January 2022, we monitor

1,114

active third parties across our industrial assets and

176

active third parties in our marketing business.

In total, depending on the third party's risk level, a third party's training and monitoring activities within a period of one year may include:

- a full financial audit by external auditors;
- twice yearly reviews of activity reports and interviews;
- digital learning and in-person anti-corruption training;
- onboarding and due diligence renewal;
- daily media and sanctions screenings;
- compliance certifications; and
- review and pre-approval by Compliance of any payment.

Renewal

Compliance coordinates the process of renewing the Company's third party relationships with the proposing employee or Glencore Business Third Party Manager in accordance with the TPDDMP.

Depending on the third party's assigned risk rating, the renewal process may include:

- obtaining an updated internal questionnaire
- obtaining an updated external questionnaire and relevant due diligence documents
- screening or requesting an updated enhanced due diligence report on the third party and shareholders/beneficial owners, and
- completion of an updated Compliance Report, which includes a reassessment of the business justification and assessment of whether there have been any issues identified by the business (in particular by the Glencore Third Party Business Manager) during the course of dealing with the third party, including lack of competence, difficulties raised over compensation, general ethical concerns, unusual requests, and implementation of any mitigating measures.

Termination

If a Severe or High risk third party engagement expires without being renewed, or if the engagement is terminated, Compliance will coordinate with the Glencore Business Third Party Manager and Legal to send the third party an end of service termination letter. This letter will confirm that the engagement has expired/terminated and that the third party should cease performing services for the Company and will not be paid for any future services performed.

If the third party is terminated due to compliance concerns, Compliance is required to place the third party on the Declined Parties & Red Flags List and liaises with the business to deactivate the third party from the relevant accounting or finance systems at the office or industrial asset. If the third party is not renewed and there are no compliance concerns, it is placed in inactive status in the relevant accounting or finance systems and cannot be reengaged without going through the onboarding process.

Our business partners continued

KYC processes

Our KYC programme differs for our offices and industrial assets due to the different risk profile of the business, but each applies a risk-based approach for suppliers, customers and service providers.

Our marketing counterparties are lower-risk business partners that include customers, and suppliers and service providers that are not classified as high risk business partners. Once risk-rated, we conduct due diligence and post-engagement controls pursuant to our KYC Procedure Marketing. This procedure is similar in some respects to the third party lifecycle described before, but calibrated to reflect the lower risk profile of these counterparties.

In 2021, we put

3,289

(marketing) and

17,387

(industrial asset) counterparties through our KYC programme.

KYC marketing process takes place using Steele Third Party Manager, a leading vendor-hosted, Group-wide system for KYC. The Steele platform ensures that due diligence documentation is retained in a centralised system, the risk model is consistently applied and has automated workflows for sending reminders to counterparties to submit onboarding documentation and obtaining internal approvals. The Steele platform also flags counterparties that have been declined for compliance or reputational reasons. The KYC is renewed at intervals, depending on the risk rating of the counterparty.

Low-risk counterparties engaged by the industrial assets are managed pursuant to local procedures which meet the KYC Standard – Industrial Assets. These are suppliers and service providers engaged by the assets to support day-to-day operations. The KYC Standard – Industrial Assets sets out the standard for engaging these counterparties, including external questionnaires, screening, escalation, and an established approval mechanism, including a prohibition of entry of the counterparty on the relevant procurement/finance system without Compliance approval. These counterparties must be re-screened at intervals, and procedures must be in place to blacklist or deactivate counterparties due to compliance concerns, which includes that these counterparties may not be reactivated without Compliance approval.

Joint ventures and mergers and acquisitions

Our Joint Ventures (JVs) and Mergers and Acquisitions (M&As) Procedure ensures our Programme is implemented at all JVs that we control or operate. For those we do not control or operate, we seek to influence our JV partners to adopt our commitment to responsible business practices and implement appropriate compliance programmes. In respect of M&As, we conduct thorough pre-transaction due diligence and incorporate acquired or merged entities which we control or operate into our Programme. When we dispose of our interest in JVs or companies, we conduct due diligence on the purchaser.

The process for these transactions includes:

- initial approval
- due diligence of JV partners and the JV operation itself
- assessment of due diligence findings
- determination of JV level of control
- determination of compliance provisions and programme requirements in the JV/M&A shareholders' agreement, and
- preparation of a compliance report.

To commence the process, the relevant commodity department seeking to enter into a JV, proposing a merger or disposal, appoints a JV/M&A Manager internally, who must manage the JV/M&A transaction with Group Compliance. Before starting due diligence, the JV/M&A Manager is required to obtain approval for the transaction in principle from the Head of Department and notify Compliance.

All JV partners and the JV/target business itself, regardless of our anticipated ownership or operational control of the proposed JV, are subject to due diligence. The JV/M&A Manager works with the target entity to gather the documentation and information required to perform thorough due diligence, including the preparation of an internal questionnaire and informing Compliance of any resulting red flags or unusual payment requests. He or she must also require the JV partner or JV/target business operation to complete an external questionnaire which includes the provision of extensive documentation.

Upon receipt of all relevant information, background checks are completed by Compliance, enabling an assessment of the compliance risks of the transaction, including:

- risks associated with all proposed JV partners,
- risks associated with any existing business or operations that we will acquire an interest in as part of the JV/M&A transaction, and
- risks associated with the proposed business undertaking/operation of the JV/M&A activity going forward.

Compliance issues recommendations on mitigating any identified compliance risks, including working with Legal to set out the proposed mitigating actions and remedies in the JV or M&A agreements.

Our business partners continued

Compliance management in JVs

After the completion of the due diligence and assessment of the compliance risks associated with the JV partner and the JV operation, Compliance, Legal and the relevant commodity department determine the level of control we should seek to exert over the JV in light of the risks identified, our commercial objectives, and our negotiating leverage with the JV partner(s). The extent of our control will generally be linked to the percentage of ownership we will have in the JV. However, if the compliance risks associated with the JV are assessed to be high, Compliance and the business may determine that in order to mitigate those risks, we may need to obtain additional control that is disproportionate to our level of ownership. The JV's compliance programme requirements will vary based on our level of ownership and control.

In 2021,
22
new JVs and
17

M&As were reviewed under the process set out in our JV and M&A Procedure.

For non-controlled JVs where we hold more than 20% of the voting rights, including independently-managed JVs, we require that JVs implement an appropriate compliance programme that meets certain minimum requirements and that certain compliance provisions are included in the relevant JV agreements. For non-controlled JVs where we hold less than 20%, we make reasonable efforts prior to entering into the JV to influence the JV to adopt an appropriate compliance programme.

In respect of all non-controlled JVs, we seek to influence the JV's approach to compliance through the activities and advocacy of Board members that we appoint. Such Board members undergo Compliance training which equips them to discharge their duty as a member of the JV's Board of Directors to raise compliance issues during Board meetings, regularly request and review audit reports, and ensure that any dissatisfaction with Board decisions is recorded. In addition to the JV Board member training, we publish a brochure on our Programme's core elements which provides additional key guidance for Board members who we appoint, and Compliance regularly liaises with a compliance contact at JVs.

Glencore-controlled JVs

A majority-Glencore-controlled or operated JV involves entities where we are responsible for controlling or operating the JV and implementing relevant policies, systems, and controls. This model of control must be applied in any JV where we hold more than 50% of the voting rights. For majority-controlled/operated JVs, we mandate that the JV implement our Programme, including all policies, standards, and procedures. We implement monitoring and controls where our Programme applies.

Non-controlled JVs

A JV where we do not control or operate the JV. We differentiate between two types of non-controlled JVs: partner-controlled JVs and independently managed JVs.

Partner-controlled JVs

A JV in which the JV partner controls or operates the JV and implements compliance policies, systems and controls. Because this level of control creates more risk for us, since it relies on the JV partner to control and operate the JV, it is only acceptable if we hold 50% or less of the voting rights and if we are satisfied that the JV partner has the resources and ability to implement an appropriate compliance programme.

Independently-managed JVs

A JV which operates independently from the shareholders, meaning that an independent board of directors, management, and corporate functions will be established for the purpose of the JV. This level of control can be acceptable for all levels of Glencore ownership, although it is typically not implemented where we hold more than 50% of the voting rights. For independently managed JVs, we are required to ensure the JV has the resources to implement an appropriate compliance programme without the support of its shareholders.

Regional insights

It is important to give real life examples showing how our Programme is embedded locally as well as the challenges some of our regional and local teams encounter. In this section, we share a selection of case studies from some of our colleagues.

[Updates from our regional teams](#)



Meet the regional team



Madina Kasymova
Regional Compliance Officer
Kazakhstan

Madina is a compliance professional with more than seven years of experience with a focus on developing and implementing centralised management systems at two large multinationals in Central Asia. Madina is responsible for the implementation of our Ethics and Compliance Programme in the Commonwealth of Independent States (CIS) region. Kazzinc is a leading non-ferrous metals company and the largest producer of zinc-containing ores and zinc metal in Kazakhstan. It also produces significant volumes of precious metals, copper and lead and employs about 23,000 employees and contractors.

Because of its size and reach, Kazzinc has a significant impact not only when it comes to the industry, but also because of its social and environmental footprint. We believe that this impact is further increased through our Ethics and Compliance Programme. For example, we extend our compliance procedures to over

5,000 business partners, applying a risk-based approach to ensure relevant compliance trainings and appropriate monitoring activities are assigned to higher risk categories. Our 23,000 employees receive tailored, risk-based training and awareness. By performing such activities, we promote our Values within and outside Kazzinc on a large scale.

Additionally, Kazzinc is one of the major contributors to social and community investment projects in Kazakhstan. I was fortunate to visit some of them and witnessed people's gratitude and appreciation of Kazzinc's efforts and commitment. This is very valuable and important to me, and another factor that makes our company special. I felt proud to know that my team and I also contributed to this work from a Compliance perspective.

As an RCO, I often navigate difficult scenarios and am expected to deliver scalable and sustainable solutions on complex business matters, so our business colleagues can operate safely and in a compliant manner.

Implementation of compliance controls crossing other functions and their internal processes is a key challenge. Change requires consideration and consultation in order to arrive at the best possible solution acceptable to all. This requires not only good project management skills, but also the ability to understand existing business processes and negotiate solutions to minimise potential disruption. Another key challenge is to influence our business partners to promote and to extend our culture of ethics and integrity. One must maintain a delicate balance between setting standards and respecting partners' independence.

However, I am convinced that we can manage the challenge because of the openness of our people to change and the uncompromising position of our senior management and its commitment to our Values.

The best thing about working in the CIS region, and Kazakhstan particularly, is the willingness and aspiration of our people to change. After gaining its independence, Kazakhstan went through rapid change. Our people adapted and excelled, taking on new technologies, business know-how, and so on. When it comes to ethics and compliance, there is no exception and our people embrace the ongoing journey. People generally understand and appreciate its purpose and welcome it, which makes my job even more exciting.

Meet the regional team continued



Samy Doss
Regional Compliance Officer
Central and North Africa

Samy is a compliance professional with nine years of experience, having implemented compliance programmes in house for multinational pharma companies and for various clients of a Big Four consulting firm, prior to joining the mining industry in Africa and at Glencore. He is our RCO covering our operations in Central and North Africa, with around 12,000 employees and contractors. He works closely with Glencore's Head of Compliance and the General Counsel.

Operating in Central and North Africa is an opportunity for us to show that we can implement a best-in-class Ethics and Compliance Programme. In doing this, we have challenged the perception that this is impossible to achieve without harming your business. It does, however, require tireless work and the need to adopt a nuanced and very practical approach, along with considerable stakeholder management.

We continually seek to understand the potential compliance risks in our business, such as payments to public officials or government organisations, sponsorships, community investments, and the prevailing use of cash. With these risks in mind, we have sought to run our business successfully and safely, but at the same time managing these risks.

We have analysed existing practices in our mines and have challenged legacies/practices which deviate from what is required by our Ethics and Compliance Programme.

As cash is still required to be used for certain payments in the DRC, we implement strong controls around its use. We also managed to implement local innovative methods of payments to improve transparency and traceability, notably through mobile money payment.

We only permit donations and community investments to be made 'in-kind' with associated control measures to ensure proper use of the contribution. Through our due diligence process, we ensure that we only contribute to organisations that share Glencore's ethical standards and Values. This ensures that our donations and community investments are used for their intended purpose. For example, in 2021 we provided oxygen tanks, food, an ambulance and other medical equipment to hospitals. Also, we recently rejected a request to make a donation in the form of a payment to a government organisation. A few months later, an investigation by national authorities brought to light suspicions of budget misappropriation and mismanagement of the government organisation. Also, as a matter of principle and on the basis of our procedures, all requests we receive for payment and assistance from public officials are thoroughly documented and analysed.

We have to be adaptable to local contexts upholding the Values and principles of our Programme, but we take a conservative approach when the level of risk identified can't be sufficiently mitigated. Our approach is aimed to implement global standards and not allow for local exceptions based on customary practice.

In short, we don't take the easy path. Sometimes it is very difficult, as some of the practices we seek to avoid are deeply rooted in local practice. We faced occasional push back and headwinds. However, our coherent and consistent position, and constant stakeholder management has enabled a continuous improvement of our practices in the area. We often explain that a practice, however old it may be, but in absence of legal basis, cannot be a substitute for the law. People here often say to me that local custom is a source of law. This is undermined and void in the context of endemic corruption. Colleagues who were resistant to do what's right were advised of the right path through training and guidance. Some were disciplined or their employment terminated. Our value of Integrity, having the courage to do what's right, even when it is hard, has been the core Value guiding our actions in Central and North Africa.

Meet the regional team continued



Robert Young
Regional Compliance Officer
Sub-Saharan Africa

Robert is a compliance professional with more than 11 years of experience with a particular focus in natural resources, compliance consultancy and financial services. He is the RCO for Sub-Saharan Africa supported by one Compliance Coordinator. He is responsible for the implementation of the Programme at Glencore Operations South Africa (GOSA). One of these operations is GOSA – Alloys which consists of several Ferro-Chrome mines and smelters with approximately 11,750 employees and contractors.

The public inquiry by former President Jacob Zuma to investigate allegations of state capture, corruption and fraud in South Africa's public sector continued through 2021 and highlighted the need for us to remain vigilant to corruption risk in our dealings not only with the public sector, but with our private business partners too.

Managing our bribery and corruption risk was a key area of emphasis in 2021, in particular, managing risks related to third parties. We continued with the implementation of the Know Your Counterparty Procedure and the TPDDMP. We also implemented a tool to better manage information received from third parties and the overall vendor management life cycle.

Furthermore, we identified legacy business partners in scope of the TPDDMP. Through this process, we discovered allegations of corruption against a director of one of our legacy business partners. We conducted a thorough risk assessment and obtained written warranties on this business partner's commitment to conducting business ethically, as well as an agreement which included our standard anti-corruption and bribery clause. The business partner has denied the allegations and has agreed to cooperate with the investigation.

Finally, South Africa's Data Protection law, The Protection of Personal Information Act, came into effect in June 2021. This, together with the roll out of the Group Information Governance Policy and the Group Data Protection Standard was another area of focus.



Angie An
Local Compliance Officer
China

Angie is the Local Compliance Officer at Glencore (Beijing) Trading Co. Ltd. Glencore has five companies in China with more than 160 employees. Angie reports directly to the RCO – Asia.

In 2021, we tailored group procedures and guidelines to local requirements and laws where necessary and rolled them out to employees. We also raised awareness of our new Code of Conduct, refreshed Purpose and Values.

Successfully implementing the Due Diligence and KYC procedures to prevent local corruption is one of the challenges and an area of focus for us. We asked all high-risk counterparties to complete anti-corruption training. Some counterparties don't understand why they're required to do this, so the local commercial and compliance functions put a lot of effort into introducing and clarifying Glencore's ethics and compliance requirements to these counterparties.

We also developed and implemented a local Gifts and Entertainment Procedure, based on local laws and regulations, setting out the threshold for gifts given to public officials. In China, gifts are usually given to show respect and gratitude. For example, during Chinese New Year celebrations, providing cash in a red envelope ("Hongbao") is very common. We had to work with our business colleagues to ensure this practice is abandoned, as the Group does not allow the use of cash.

Another example relates to gifts received during the mid-Autumn (Mooncake) festival. Our employees receive mooncakes, a local, sometimes very expensive, delicacy, so we have to guide them on how to ensure these gifts are in compliance with our local Gifts and Entertainment Procedure. We always receive gift enquiries from local commercial teams before traditional holidays, which shows they are vigilant of compliance risks, even though such gifts are part of the local culture. I always work together with my RCO to evaluate the corruption risks while ensuring we can continue to forge good relationships with local counterparties based on our compliance commitments.

Meet the regional team continued



Gianmario Callai
Compliance Coordinator

Portovesme

Gianmario is the Compliance Coordinator and the Head of Legal at Portovesme s.r.l. Portovesme is a zinc and lead producer located in Sardinia, Italy. It has two production sites with 641 employees. Together with Annalisa Fenu, Gianmario is responsible for Compliance at Portovesme.

In 2021, a key focus was the implementation of the new KYC Procedure. The new due diligence process required a shift in the way we engage our business partners and it was necessary to train and raise awareness among colleagues in charge of this process, which is not purely commercial but emphasises the reputation of our business partners. We screened more than 160 counterparties in accordance with the KYC procedure.

The local procedure for the processing of personal data was also updated in 2021, incorporating the new requirements from

Glencore's Data Protection Standard. Due to the Covid-19 pandemic, personal data processing was particularly significant throughout the year, taking into account the numerous regulatory changes that took place regarding Covid certificates, access to workplace regulations, and the processing of health data by employers. Furthermore, updates of the personal data processing register (a register that contains all personal data processed by Portovesme), the types of processing, the data processors, as well as the requirements of data retention were necessary to adapt it to the new regulations.

2021 has been a busy year. We delivered 52 in-person compliance training sessions, including on anti-corruption and bribery, to over 500 employees. We also distributed approximately 30 compliance awareness materials on topics such as anti-corruption, conflicts of interest, Speaking Openly, our Values, and gifts and entertainment.

Another key priority in 2021 was the launch of the new Code of Conduct. Our goal was to be able to involve, in as many ways as possible, all employees and contractors. The strategy that guided us was finding the right mechanisms to embed our Purpose, Values and Code of Conduct into life at Portovesme, reminding everyone about who we are and the principles that must guide us. We did this by:

- collaborating with management in the Code launch campaign and supporting management with communications regarding the importance of the new Code of Conduct and Values (for instance video message from the Portovesme CEO);
- distributing paper and digital copies of the Code of Conduct, brochures, flyers and posters, and insertion of screensavers on company PC monitors;
- launching a survey on our Values which was sent to all employees; and
- organising a photo contest of employees demonstrating our Values in action, with a final awards celebration.

Meet the regional team continued



Angeline Koutou
Compliance Coordinator

Chad

Angeline is the Office Services Manager and Compliance Coordinator at PetroChad Mangara in Chad since July 2018. She receives support from the two Deputy General Managers in the implementation of the Programme. PetroChad Mangara is an exploration and production industrial asset acquired by Glencore in July 2014.

One of the key areas of change in 2021 included a tight follow-up on the implementation of the planned controls identified as a result of the Chad compliance risk assessment. One control identified was the further implementation of various policies and procedures on payment and assistance to public officials, petty cash, gifts and entertainment, and recruitment.

I've noticed a real uptick in the number of questions we get from employees on the various compliance policies and procedures. The most tangible relate to petty cash and payments and assistance to public officials. The Stakeholder Relations (SR) team regularly receives requests for donations from local authorities (i.e. Canton chiefs, village chiefs, local associations). For example, in December 2021, it received a request for assistance for the enthronement of the Donia Canton Chief. Following Compliance's implementation of the Payment and Assistance to Public Officials Procedure and the Petty Cash Procedure, SR has developed a specific procedure for dealing with such requests, describing the various activities it must undertake and applicable thresholds. When it receives a donation request, the SR manager first ensures it is covered by their internal procedure, then seeks approval from Compliance prior to communicating

the final approval to the requester and proceeding with the donation. I then put together a Compliance Payment Report to document the request.

As another example, each year, as part of the celebration of International Women's Day, HR submits a budget for approval by the general management, which is then disbursed across the departments to cover the expenses relating to these festivities. HR approached us for the best way to proceed ensuring we comply with our policies. Instead of disbursing cash and designating a colleague to go to the market and buy the national loincloth to be distributed to female colleagues to dress on 8 March, like all Chadian women, the entire purchase process (loincloth, get-together lunch etc.), is done through the Contracts & Procurement department and the Enterprise Asset Management system. We don't allow cash payments for such activities.

Appendix



Appendix

Measuring the effectiveness of our anti-corruption and bribery programme

This Appendix sets out a number of key indicators on ethics and compliance programmes from various organisations and where we address those indicators in this report or in other public reports issued by Glencore.

Number	Indicator	Response/cross reference
Global Reporting Initiative (GRI)		
Ethics and Integrity		
GRI 102-16	Organisation's values, principles, standards, norms of behaviours, such as codes of conduct and codes of ethics	Please see sections: <ul style="list-style-type: none"> • Introduction/Our Values (p.7) • Governance and structure/Culture (p.11) • Our Approach/Code of Conduct (p.19-22) • Our Approach/Policies, standards, procedures and guidelines (p.23-24) • Key topics (p.42-53)
GRI 102-17	Internal and external mechanisms for: (i) seeking advice about ethical and lawful behaviour, and organisational integrity; (ii) reporting concerns about unethical or unlawful behaviour, and organisational integrity.	Please see sections: <ul style="list-style-type: none"> • Introduction/Our Values (p.7) • Our Approach/Code of Conduct (p.19-22) • Our Approach/Whistleblowing Framework (p.36-39)
Sustainability Accounting Standard Board (SASB)		
Business Ethics & Transparency		
EM-MM-510a.1. Description of the management system for prevention of corruption and bribery throughout the value chain		
1	The entity shall describe its management system and due diligence procedures for assessing and managing corruption and bribery risks internally and associated with business partners in its value chain.	Please see sections: <ul style="list-style-type: none"> • Our Approach/Risk assessments (p.18) • Our business partners (p.55-60) • Key topics/Anti-corruption and bribery (p.43-46)

Appendix continued

Number	Indicator	Response/cross reference
2	<p>The entity may discuss the implementation of one or more of the following:</p> <p>2.1 Key Organisation for Economic Co-operation and Development (OECD) guidelines</p> <p>2.2 International Chamber of Commerce (ICC): Rules of Conduct against Extortion and Bribery</p> <p>2.3 Transparency International: Business Principles for Countering Bribery</p> <p>2.4 United Nations Global Compact: 10th Principle</p> <p>2.5 World Economic Forum (WEF): Partnering Against Corruption Initiative (PACI).</p>	<p>Please see sections:</p> <ul style="list-style-type: none"> • Our Approach/Policies, standards, procedures and guidelines (p.23-24) • Key Topics /Anti-corruption and bribery/ External engagement (p.45)
3	<p>The entity may discuss laws or regulations related to payments transparency that it is subject to, including, but not limited to:</p> <p>3.1 European Union Accounting Directive Chapter 10</p> <p>3.2 European Union Transparency Directive Article 6</p> <p>3.3 Norway Forskrift om land-for-land-rapportering</p> <p>3.4 Canada Extractive Sector Transparency Measures Act.</p>	<p>Please see section:</p> <ul style="list-style-type: none"> • Key Topics /Anti-corruption and bribery/ Transparency (p.46)

Appendix continued

Number	Indicator	Response/cross reference
EM-MM-510a.2. Production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index		
1	<p>The entity shall disclose its net production from activities located in the countries with the 20 lowest rankings in Transparency International's Corruption Perception Index (CPI).</p> <p>1.1 The 20 lowest numerical ranks shall be used to generate the scope of countries; therefore, due to the fact that multiple countries share many ranks, the scope may include more than 20 countries.</p>	<p>Please see:</p> <ul style="list-style-type: none"> • Glencore's Annual Report • Glencore's Full Year 2021 Production Report
2	The entity shall use the most current version of the CPI.	Please see: Glencore's Full Year 2021 Production Report
3	<p>Production shall be disclosed in saleable tons of minerals.</p> <p>3.1 The entity may provide a breakdown of calculations by mineral or business unit where minerals or business units may include, for example: aluminum, copper, zinc, iron ore, precious metals, or diamonds, where relevant.</p>	Please see: Glencore's Full Year 2021 Production Report
4	The entity may discuss operations that are located in countries with low rankings in the index but present low business ethics risks; the entity may provide similar discussion for operations located in countries that do not have one of the 20 lowest rankings in the index, but that present unique or high business ethics risks.	<p>Please see:</p> <ul style="list-style-type: none"> • Glencore's Annual Report • Glencore's Full Year 2021 Production Report

Appendix continued

Number	Indicator	Response/cross reference
Norges Bank Investment Management and the Basel Institute on Governance		
Culture		
1.1	A baseline has been established to identify perceptions of the ethical culture/culture of integrity in the company. There is a methodology to measure/gauge changes to the culture over time.	Please see section Governance and structure/Culture (p.11)
1.2	The frequency (could be a percentage or absolute number) of references to ethics and compliance communicated internally and/or externally by the defined C-level persons.	Please see sections: <ul style="list-style-type: none"> • Introduction/Our Values (p.7) • Governance and structure /Tone at the top: Our Board of Directors (p.9) • Our Approach/Code of Conduct (p.19-22) • Our Approach/Events (p.31)
1.3	Does your performance management framework incorporate how ethics and integrity objectives are achieved (Y/N)?	Please see section: Our Approach/ Discipline and incentives (p.40)
1.4	Ethics and integrity are integral components in leadership decisions.	Please see sections: <ul style="list-style-type: none"> • Governance and structure/Tone at the top: Our Board of Directors (p.9) • Governance and structure/Governance (p.10) • Governance and structure/Compliance leadership (p.12)
1.5	The company actively engages in anti-corruption Collective Action.	Please see section: Key Topics /Anti-corruption and bribery/ External engagement (p.45)

Appendix continued

Number	Indicator	Response/cross reference
Risk management		
2.1	The company has an anti-corruption compliance risk programme which it uses to give regular updates to senior management and board on how risks are being managed.	Please see sections: <ul style="list-style-type: none"> • Governance and structure/Tone at the top: Our Board of Directors (p.9) • Our Approach/Risk assessments (p.18)
2.2	The percentage of business functions that are included in the anti-corruption risk assessment.	Please see section: Our Approach/Risk assessments (p.18)
2.3	The company has established anti-corruption compliance KPIs that are used to measure the compliance programme.	Please see sections: <ul style="list-style-type: none"> • Our Approach/The Glencore Ethics and Compliance Programme (p.17) • Our Approach/Monitoring (p.33-35)
Third parties		
3.1	Percentage of Third Party reviews conducted.	Please see section: Our business partners/Third party due diligence and management (p.56)
3.2	How the findings from Third Party reviews are addressed.	Please see section: Our business partners/Third party due diligence and management (p.56-59)
3.3	Percentage of Third Parties that improve their anti-corruption compliance programme.	Please see sections: <ul style="list-style-type: none"> • Our business partners/Third party due diligence and management (p.56-59) • Our business partners/Joint ventures and Merger and Acquisitions (p.60-61)

Appendix continued

Number	Indicator	Response/cross reference
Compliance function		
4.1	The organisational structure of the company is transparent, including the location of the compliance function within the structure, and it identifies where the Chief Compliance Officer is situated.	Please see sections: <ul style="list-style-type: none"> • Governance and structure/Governance (p.10) • Governance and structure /Compliance leadership (p.12) • Governance and structure/The Compliance team (p.13-15)
4.2	The governance structure of the company enables the Chief Compliance Officer to execute her/his responsibilities impartially.	Please see sections: <ul style="list-style-type: none"> • Governance and structure/Tone at the top: Our Board of Directors (p.9) • Governance and structure/Governance (p.10) • Governance and structure/Compliance leadership (p.12)
4.3	Ethics and integrity are integral components in all talent and leadership development programmes.	Please see section: Governance and structure/Culture (p.11)
4.4	The programme is adequately resourced and empowered to function effectively.	Please see sections: <ul style="list-style-type: none"> • Governance and structure/Governance (p.10) • Governance and structure/Compliance leadership (p.12) • Governance and structure/The Compliance team (p.13-15) • Ethics and compliance programme/Risk assessments (p.18)
4.5	The frequency of the board actively reviewing the sufficiency of resources allocated to the global anti-corruption and bribery programme including the compliance function.	Please see sections: <ul style="list-style-type: none"> • Governance and structure/Governance (p.10) • Governance and structure/Compliance leadership (p.12)
Oversight		
5.1	Access by the Chief Compliance Officer to the board including the Board committees (i.e., the supervisory level of the company) on a formalised basis and the actual frequency of that access in practice.	Please see sections: <ul style="list-style-type: none"> • Governance and structure/Tone at the top: Our Board of Directors (p.9) • Governance and structure/Governance (p.10) • Governance and structure/Compliance leadership (p.12)