

GLENCORE

GLENCORE PLC

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GLENCORE TRADING UPDATE

Glencore provides the following updates concerning its coal Industrial business and Marketing business.

- Our Industrial coal portfolio produces various quality specifications in three countries, destined primarily for seaborne thermal markets, but also for steel and domestic consumption. We have seen unprecedented dislocation in energy markets over the year to date, resulting, at times, in record pricing differentials between the various coal benchmarks and quality categories.
- Relative to the Newcastle thermal coal pricing benchmark, our coal portfolio mix adjustment guidance (which is used to calculate an overall realised price for the Group's coal portfolio as a deduction against the Newcastle thermal coal price) has increased to reflect these larger differentials and portfolio composition.

Our February 2022 full year portfolio mix adjustment guidance⁽¹⁾ of \$32.8 per tonne (basis a Newcastle thermal coal forward average price at the time of \$175/t) is expected to increase to a range of c.\$82 to \$86 per tonne for the first half of 2022, basis an assumed Newcastle thermal coal average benchmark price of \$318/t over the half (May YTD plus June forecast).

In line with the higher coal prices, government royalties have increased significantly relative to our February cost expectations, which together with higher input costs (including diesel, explosives, logistics and electricity), are expected to result in an increase in our reported average FOB thermal unit cost for the period to c.\$75-\$78 per tonne, compared to earlier guidance of \$59.3/t for 2022⁽¹⁾.

- Our Marketing business has successfully navigated the extraordinary global challenges faced during the period, being a source of continuous and reliable commodity supply to our vast customer base.

Against this challenging and elevated risk backdrop, our Marketing segment's financial performance has continued to be supported by periods of heightened to extreme levels of market volatility, supply disruption and tight physical market conditions, particularly relating to global energy markets.

Tracking YTD performance, we expect our Marketing segment's half-year adjusted EBIT to exceed \$3.2bn (the top end of our long-term, through the cycle, Adjusted EBIT annual guidance range of \$2.2-3.2bn). We currently expect more normal market conditions to prevail in the second half of the year.

We confirm that we will release our first-half production report on Friday 29 July and our half-year financial results on Thursday 4 August.

(1) Refer to slide 27 of the 2022 Preliminary Results presentation for prior guidance:
<https://www.glencore.com/.rest/api/v1/documents/308f484a1509eeaba27a45ffd8f77bcc/20220215%20GLEN%202021%20Preliminary%20Results%20Presentation-.pdf>

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For further information please contact:

Investors

Martin Fewings
t: +41 41 709 2880
m: +41 79 737 56 42
martin.fewings@glencore.com

Media

Charles Watenphul
t: +41 41 709 2462
m: +41 79 904 33 20
Charles.watenphul@glencore.com

This announcement contains inside information.

Notes for Editors

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

Glencore companies employ around 135,000 people, including contractors. With a strong footprint in over 35 countries in both established and emerging regions for natural resources, our marketing and industrial activities are supported by a global network of more than 40 offices.

Glencore's customers are industrial consumers, such as those in the automotive, steel, power generation, battery manufacturing and oil sectors. We also provide financing, logistics and other services to producers and consumers of commodities.

Glencore is proud to be a member of the Voluntary Principles on Security and Human Rights and the International Council on Mining and Metals. We are an active participant in the Extractive Industries Transparency Initiative.

Glencore recognises our responsibility to contribute to the global effort to achieve the goals of the Paris Agreement. Our ambition is to be a net zero total emissions company by 2050. In August 2021, we increased our medium-term emission reduction target to a 50% reduction by 2035 on 2019 levels and introduced a new short-term target of a 15% reduction by 2026 on 2019 levels.

Disclaimer

The companies in which Glencore plc directly and indirectly has an interest are separate and distinct legal entities. In this document, "Glencore", "Glencore group" and "Group" are used for convenience only where references are made to Glencore plc and its subsidiaries in general. These collective expressions are used for ease of reference only and do not imply any other relationship between the companies. Likewise, the words "we", "us" and "our" are also used to refer collectively to members of the Group or to those who work for them. These expressions are also used where no useful purpose is served by identifying the particular company or companies.

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