GLENCORE

GLENCORE PLC

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NEWS RELEASE

Baar, 1 February 2023

Full Year 2022 Production Report

Glencore Chief Executive Officer, Gary Nagle:

"Overall, 2022 production volumes were in line with our revised guidance from October 2022, with final quarter sequential production increases delivered across most of our key commodities, including copper, zinc, nickel and coal. During the year, however, we saw a mixed overall production performance. Copper and zinc volumes reflect the base effect of asset sales (notably Ernest Henry and Bolivia), Katanga's geotechnical constraints and supply chain headwinds in Kazakhstan. Nickel volumes benefitted from operating two lines at Koniambo for the majority of the year, partially offset by Canadian industrial action. Overall coal volumes rose during the year with the acquisition, in January 2022, of the balance of Cerrejón that we did not already own, however, on a like for like basis, Group production actually declined by almost 9 million tonnes (7%), primarily due to abnormally wet weather."

Production from own sources - Total⁽¹⁾

			Change
	2022	2021	%
kt	1,058.1	1,195.7	(12)
kt	43.8	31.3	40
kt	938.5	1,117.8	(16)
kt	191.6	222.3	(14)
kt	107.5	102.3	5
koz	661	809	(18)
koz	23,750	31,519	(25)
kt	1,488	1,468	1
mt	110.0	103.3	6
kboe	6,131	5,274	16
	kt kt kt koz koz kt mt	kt 1,058.1 kt 43.8 kt 938.5 kt 191.6 kt 107.5 koz 661 koz 23,750 kt 1,488 mt 110.0	kt1,058.11,195.7kt43.831.3kt938.51,117.8kt191.6222.3kt107.5102.3koz661809koz23,75031,519kt1,4881,468mt110.0103.3

1 Controlled industrial assets and joint ventures only. Production is on a 100% basis, except as stated.

Production guidance (unchanged from our December 2022 Investor Update)

		Actual FY	Actual FY	Actual FY	Guidance FY
		2020	2021	2022	2023
Copper	kt	1,258	1,196	1,058	1,040 ± 30
Cobalt	kt	27.4	31.3	43.8	38 ± 5
Zinc	kt	1,170	1,118	939	950 ± 30 ⁽¹⁾
Nickel	kt	110	102	108	112 ± 5
Ferrochrome	kt	1,029	1,468	1,488	1,310 ± 30
Coal	mt	106	103	110	110 ± 5

1 Excludes Volcan.

Coal realised pricing

The average Newcastle coal (NEWC) settlement prices for 2022 was \$360/t. After applying a portfolio mix adjustment (component of our regular coal cash flow modelling guidance) of \$115/t to reflect e.g. movements in the pricing of non-NEWC quality coals, coking coal margins and the lag effect of 2021's JPU fixed-price contracts, an average thermal-equivalent realised price of c. \$245/t can be applied across all coal sales volumes.

Production highlights

- Own sourced copper production of 1,058,100 tonnes was 137,600 tonnes (12%) lower than 2021, due to the basis change arising from the sale of Ernest Henry in January 2022 (44,800 tonnes), the ongoing geotechnical constraints at Katanga (44,300 tonnes), Collahuasi planned mining sequence changes (26,100 tonnes) and a lower contribution from Mount Isa (21,000 tonnes).
- Own sourced cobalt production of 43,800 tonnes was 12,500 tonnes (40%) higher than 2021 following Mutanda's restart in Q4 2021.
- Own sourced zinc production of 938,500 tonnes was 179,300 tonnes (16%) lower than 2021, reflecting the disposal / cessation of South America operations (83,400 tonnes), closure of Matagami (30,100 tonnes) and lower volumes from Mount Isa (39,600 tonnes), as Lady Loretta approaches end of mine life.
- Own sourced nickel production of 107,500 tonnes was 5,200 tonnes (5%) higher than 2021, reflecting Murrin Murrin's scheduled major maintenance shut in the prior year and Koniambo running two production lines for the majority of 2022, partially offset by lower production at INO due to strike action in Canada and Norway.
- Attributable ferrochrome production of 1,488,000 tonnes was in line with 2021.
- Coal production of 110.0 million tonnes was 6.7 million tonnes (6%) higher than 2021, reflecting higher attributable production from Cerrejón, following the acquisition in January 2022 of the remaining two-thirds interest that Glencore did not already own, less declines elsewhere in the portfolio. On a like for like basis, overall Group production declined by 8.9 million tonnes (7%), primarily due to wet weather challenges and an extended community blockade in Colombia.
- Entitlement interest oil production of 6.1 million barrels of oil equivalent was 0.9 million barrels (16%) higher than 2021, due to a full year of production from the Alen gas project in Equatorial Guinea, following its commencement in March 2021.

Other matters

• The Group's mineral resources and ore reserves report for 2022 is published today on our website.

To view the full report please click here: <u>https://www.glencore.com/dam/jcr:e43e5f94-6484-4332-9f09-e3601aafb44f/GLEN_2022-FY_ProductionReport.pdf</u>

To view the full report on the Johannesburg Stock Exchange portal please click here: <u>https://senspdf.jse.co.za/documents/2022/JSE/ISSE/GLN/FY22-PrRep.pdf</u>

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Please refer to the end of this document for disclaimers including on forward-looking statements.

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.

Important notice concerning this document including forward looking statements

This document contains statements that are, or may be deemed to be, "forward-looking statements" which are prospective in nature. Such statements may include, but are not limited to, statements in respect of trends in commodity prices and currency exchange rates; demand for commodities; reserves and resources and production forecasts; expectations, plans, strategies and objectives of management; climate scenarios; sustainability performance (including environmental, social and governance) related goals, ambitions, targets, intentions, visions, milestones and aspirations; approval of certain projects and consummation of certain transactions (including acquisitions and disposals); closures or divestments of certain assets, operations or facilities (including associated costs); capital costs and scheduling; operating costs and supply of materials and skilled employees; financings; anticipated productive lives of projects, mines and facilities; provisions and contingent liabilities; and tax, legal and regulatory developments.

These forward-looking statements may be identified by the use of forward-looking terminology, or the negative thereof including, but not limited to, "outlook", "guidance", "trend", "plans", "expects", "continues", "assumes", "is subject to", "budget", "scheduled", "estimates", "aims", "forecasts", "risks", "intends", "positioned", "predicts", "projects", "anticipates", "believes", or variations of such words or comparable terminology and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved.

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Due to the inherent uncertainty and limitations in measuring greenhouse gas and air emissions and operational energy consumption under the calculation methodologies used in the preparation of such data, all greenhouse gas and air emissions and operational energy consumption data or volume references (including ratios and/or percentages) in this document are estimates. There may also be differences in the manner that third parties calculate or report such data compared to Glencore, which means that third-party data may not be comparable to Glencore's data. For information on how we calculate our greenhouse gas and air emissions and operational energy consumption data, see our latest Reporting criteria for selected KPIs, Climate Report and Extended ESG Data, which can be found on our website.

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.

Sponsor

Absa Corporate and Investment Bank, a division of Absa Bank Limited



Glencore Full Year 2022 Production Report