

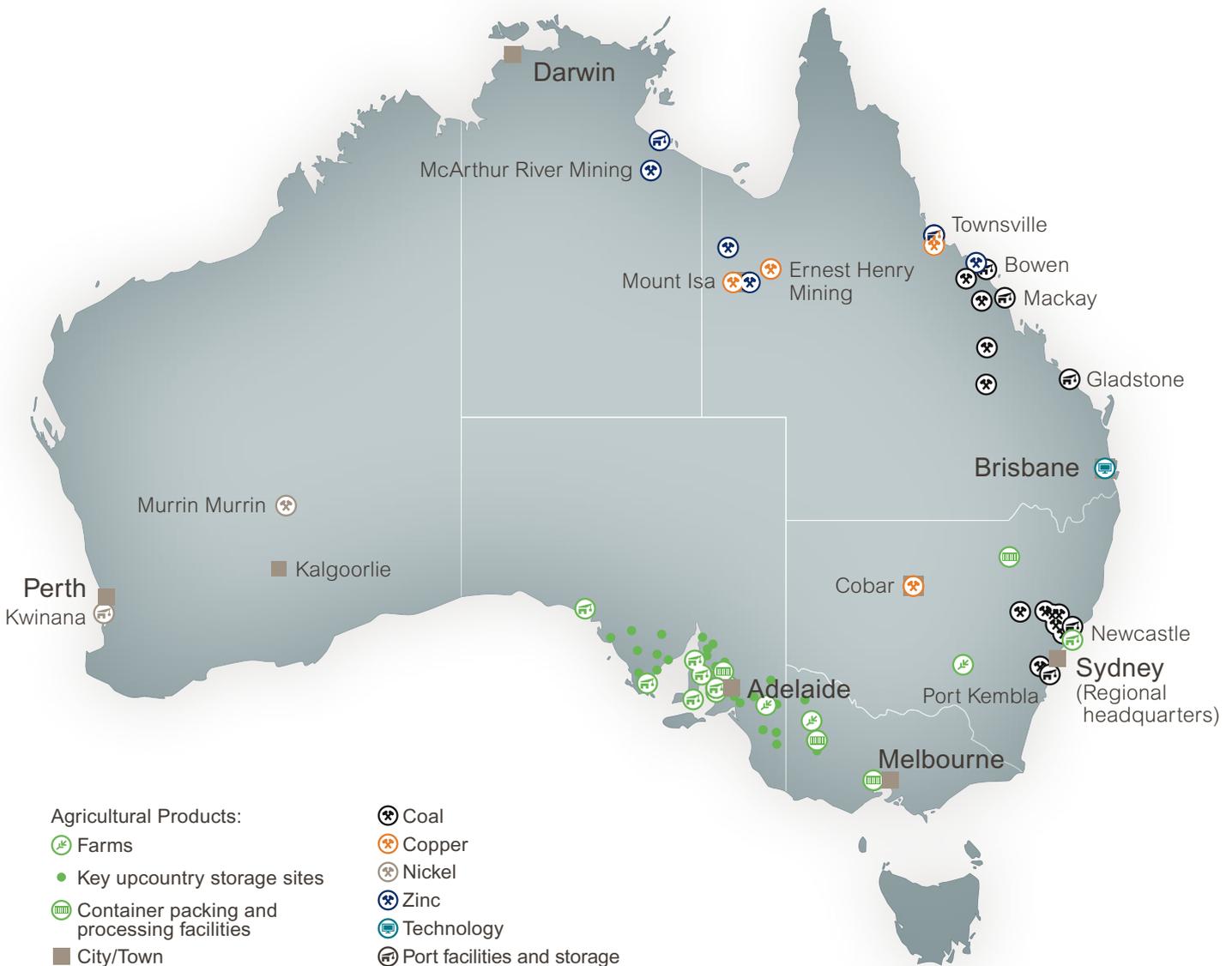
GLENCORE

WORKING WITH AUSTRALIAN
INDIGENOUS COMMUNITIES

About Glencore in Australia

Within many of our Australian operations, we explore and originate the commodity; produce it; process and refine it; market and blend it; and ultimately handle, store and transport it to our customers around the world. We have been here for almost 20 years and are proud of the role we play in creating value and lasting benefits in Australia. In 2015 in Australia, we contributed almost \$13.5 billion to the regional, state and national economies.

Our contribution



All figures are in Australian dollars.



Creating shared value

Our operations and economic strength have a positive impact on the communities in which we operate.

While we have a responsibility to maximise returns for shareholders, we are equally aware of our responsibility to make a positive impact on communities associated with our operations.

This commitment is reflected in Glencore Corporate Practice (GCP) which is our sustainability management system. It consists of three tiers: our values, our Code of Conduct and our Group Health Safety Environment and Community (HSEC) policies.

This ensures that our activities focus on enhancing the socio-economic capacity and well-

being of our communities, and make genuine contributions to the sustainability of these communities.

An important part of this commitment is our focus on practical and meaningful efforts to help address issues affecting Indigenous communities within our area of operations.

We aim to continue to develop our relationships and partnerships with Indigenous people by listening, understanding and initiating actions that can deliver outcomes that support Indigenous communities.

Glencore is committed to creating shared value through:

- 1. Local procurement** – where possible we source locally.
- 2. Local employment** – we provide training to local people to qualify for skilled jobs.
- 3. Enterprise development** – where possible we employ from our local communities and provide training to support the development of skills and qualifications.
- 4. Synergies from infrastructure** – we help make sure that infrastructure related to our assets benefits local communities and supports development.
- 5. Social investment** – we invest in public healthcare, education and basic services such as the provision of water and sanitation.

Our business interacts with many diverse communities across Australia; from capital cities, to rural and regional towns and small remote Indigenous communities. Proactive engagement is an essential part of our approach to managing sustainability, business risk and our social license to operate.

The communities close to our operations are our neighbours, our business partners and our future workforce. They are also where many of our employees and their families make a life.

Working in collaboration with our communities, we can maximise the positive benefits of our activities and avoid or minimise any potential negative impacts.

We provide direct financial and indirect support across a diverse range of areas:

- Capacity building, including education/training, enterprise development and economic diversification;
- Health;
- Environment;
- Additional needs identified at a local or regional level.



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Approach to engagement with Indigenous peoples

Our operating regions have been inhabited by Indigenous people for centuries. We recognise the unique role Indigenous people play in global culture and respect their customs, interests and rights. Our operations implement formal agreements or policies to manage engagement with Indigenous communities. We support the International Council on Mining and Metals (ICMM) position statement on Indigenous people and Free, Prior and Informed consent.

Glencore acknowledges Aboriginal and Torres Strait Islander peoples as first Australians and we respect their rights and interests in Australia's lands and waters. We are committed to working in partnership with Indigenous Australians to support the effective management of natural resources and to deliver socio-economic outcomes for Indigenous communities.

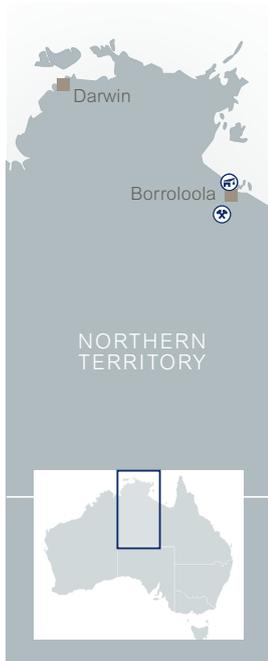
We recognise the unique relationship of Indigenous peoples with the environment in which they live. We aim to engage based on good faith negotiations and in line with traditional decision making processes.

We seek constructive relationships with Indigenous peoples that are based on respect, meaningful engagement, trust and mutual benefit.

In Australia, our approach to engagement with Indigenous peoples means that we:

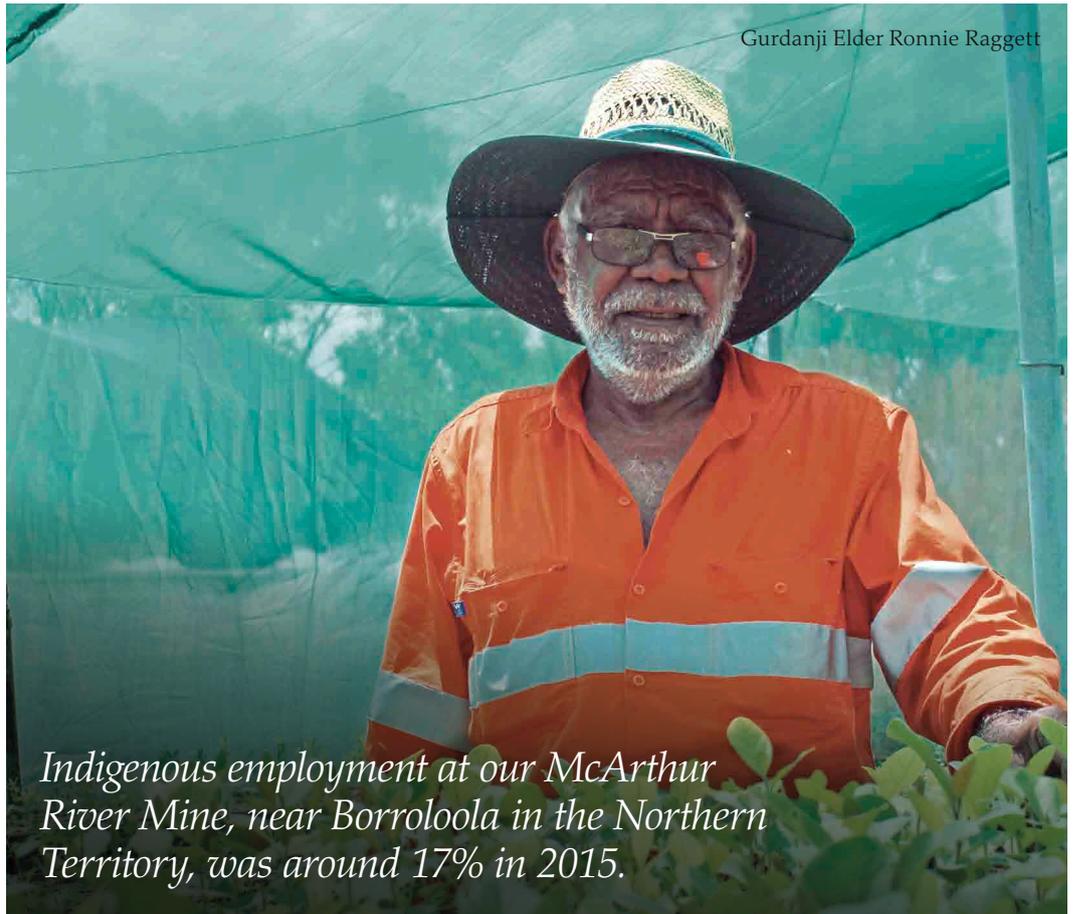
- Recognise and respect cultural heritage and Indigenous connections to country, and recognise the value of traditional Indigenous knowledge.
- Expect all our employees and contractors to be aware and respectful of the uniqueness and diversity of Indigenous culture. This includes the importance of the natural environment and its value to Indigenous people.
- Engage and consult closely with Indigenous peoples in a culturally appropriate manner recognising the importance of engagement strategies that are inclusive of age and gender.
- Gather input from local Indigenous communities early in the project development cycle to address any community questions or concerns. We seek to maintain appropriate engagement throughout all stages of project development and the life of our mining operations.
- Seek to build and maintain broad-based support for our activities among Indigenous peoples and communities affected by our mining operations and projects.
- Work closely with traditional owners and with Indigenous communities to identify opportunities to build capacity and engage in education, training, employment, and supply chain partnerships related to our business.
- Implement grievance and conflict resolution processes that include transparent procedures for registering, evaluating and responding appropriately to community concerns.
- Comply with all regulatory requirements, including relevant cultural heritage and native title legislation in Australia.
- Value our workforce and the contribution Indigenous employees make to our company.

Glencore is proud to include a number of short case studies from our Australian business which demonstrate how we engage, listen and support Indigenous people and communities.



ABOUT MCARTHUR RIVER MINE

- McArthur River Mine is located in the Northern Territory approximately 970 km south-east from Darwin and 60 km south-west of its closest township, Borroloola
- Produces zinc and lead in concentrates from one of the world's largest zinc and lead deposits
- Provides direct employment to nearly 600 people, including contractors and is a big contributor investing around \$2 billion into the Northern Territory over the past five years



CASE STUDY

McArthur River Mine: real jobs for local Indigenous people

Northern Territory

For Gurdanji Elder Ronnie Raggett, working at McArthur River Mine is 'like coming home'. Born just across the river from the mine at the old McArthur River station, he is delighted to be back working on his country as part of our environment rehabilitation team.

Three generations of Raggetts have worked with us over the last two decades and the family keeps returning to the place they regard as special. "It's home. That's why we keep coming back," Ronnie said.

While these days Ronnie lives with his wife May in Borroloola, the land on which the mine is situated has deep significance for him and others from the Gurdanji language group. Ronnie is Jungai for this part of the Gurdanji

estate. He is like a knowledge manager, helping the Traditional Owners ensure all activities are carried out in accordance with the Traditional Law.

Alongside his formal role, he is also seen as a mentor among younger men and women who are keen to stop and have a chat. But it is caring for his country and helping to rehabilitate the McArthur River channel that is his real passion on site.

Ronnie will undertake weed control as well as propagating seedlings for the rehabilitation of the McArthur River channel, where more than 235,000 trees were planted since rehabilitation began in 2009.

CASE STUDY

Minara Resources Indigenous Scholarships

Western Australia

Minara Resources is the operator of the Murrin Murrin nickel cobalt mining and refining operation in Western Australia. Murrin Murrin is situated in the northern Goldfields region, between the communities of Leonora and Laverton, approximately 950 km from Perth and 350 km from the nearest regional centre. The majority of children living in the area attend local remote schools and education plans for the region are focussed on improved student attendance, literacy and numeracy standards and year 12 attainment.

Since 2009, we have been working with local Indigenous communities to support tertiary pathways through scholarship assistance. Candidates are identified based on academic progress and other drivers such as positive attitude, leadership attributes and family support.

In 2015, our program supported six students, ranging from 13 to 18 years of age, attending boarding schools in Perth, Western Australia.

Funding is based around school, government and family contribution arrangements with Minara Resources contributing to tuition, incidental expenses and travel arrangements.

We understand and respect the importance of our students remaining connected to their families, communities and land. We provide support for regular trips home throughout the school year via the Murrin Murrin operations.

Since starting the program we have extended assistance to two students who have gone on to pursue tertiary studies. Another student has secured an apprenticeship after completing Year 12 in 2015.

In 2015 the value of our contribution towards the scholarship program was \$106,000.

Our secondary school scholarships increase capacity for further education and employment opportunities and support the students as role models for other children in their communities.



ABOUT MURRIN MURRIN

- Operating for over 15 years with one of the longest life of mine reserves among Australian nickel producers
- Open pit mines and processing plant
- In 2015, produced 46,686 tonnes of nickel and 3,279 tonnes of cobalt in metal (including third party feed)

“I think this scholarship will help me provide a bigger, better and stronger future and also give me a chance to go to high school and get a good education. I would like to do all the things that my elders did not get an opportunity to do. I want a good education so that I can be a helper or teacher in the community.” – Scholarship recipient Tenique



15-year-old Tenique is the eldest of five children from a remote community near Laverton in WA and attends Year 10 at St Mary's Anglican Girls' School in Perth.



In 2011, Glencore's coal, copper and zinc businesses partnered with the Queensland Department of Communities to form the Queensland Indigenous Youth Leadership Program (QIYLP).

Indigenous youth participant in QIYLP at Queensland Parliament House, Brisbane



QIYLP participants at Queensland Parliament House, Brisbane

CASE STUDY

Queensland Indigenous Youth Leadership Program

Queensland

In 2011, Glencore's coal, copper and zinc businesses partnered with the Queensland Department of Communities to form the Queensland Indigenous Youth Leadership Program (QIYLP).

One of the program's objectives is to enhance the capacity of Aboriginal and Torres Strait Islander young people aged between 18 and 25 years, to actively and positively engage in community leadership roles, civic life, and parliamentary processes. This objective aligns closely with our focus on supporting leadership development and building community capacity.

The program provides participants with the opportunity to develop their leadership skills and learn about Queensland's democratic processes. Over the course of a five year period, the QIYLP has come to be regarded as one of the country's most prestigious and effective Aboriginal and Torres Strait Islander youth leadership programs.

A major component of the program is the Eric Deeral Indigenous Youth Parliament, which provides participants with first-hand experience of democratic processes as they participate in a mock legislative debate.

Workshops leading up to the parliament prepare participants to develop a debate for or against a proposed Bill, and raise issues of importance in the presence of elected Members of Parliament.

The program provides development opportunities for past participants of the Youth Parliament including:

- An opportunity for twelve past participants of the QIYLP to participate in a mentor development program to further develop their leadership skills, accessing additional professional development mentor workshops and working with Office for Youth staff to deliver the QIYLP program, including direct support of program participants.
- An Intern Program for at least one past QIYLP participant to obtain experience in project development and management and to assist in the design and delivery of new initiatives targeting Aboriginal and Torres Strait Islander young people.



ABOUT GLENCORE IN QUEENSLAND

- In Queensland, we provide work for around 7,500 people, or almost half of Glencore's total Australian workforce
- 10 mining and processing complexes, producing coal, copper, lead and zinc commodities, as well as other by-products like gold and silver
- Contributed almost \$4 billion to the state economy through providing jobs, sourcing goods and services, capital investment and taxes and royalties



Gudjuda Ranger custom built vessel for turtle conservation and wetland management

CASE STUDY

Gudjuda Land and Sea Rangers Program

Queensland

One of the main aims of Glencore's Indigenous community investments in Queensland is to contribute to meaningful outcomes for local Aboriginal communities.

Following discussions with the Queensland Department of Environment and Heritage Protection, in 2014 our coal business entered into a partnership to build the capacity of the Indigenous Land and Sea Ranger program operated by the Gudjuda Reference Group Aboriginal Corporation.

The Gudjuda Land and Sea Rangers work throughout the Burdikin and Whitsunday areas including the area where we operate the Abbot Point Bulk Coal Terminal. Gudjuda Reference Group Aboriginal Corporation represents the interests of the Bindal, Juru and Ngaro Traditional Owner groups. The corporation administers a land region from south of Black River, Townsville, west to the Leichhardt and Clark Point, north of Mackay, and the Great Barrier Reef opposite this area.

Glencore has provided \$130,000 to deliver a 6.2 metre custom-built vessel for the group's

turtle conservation work and wetland care and management. The vessel is designed to facilitate easy loading and unloading of vehicles, extending the reach of the group's land conservation and emergency response work. It is also being used to for new skilling programs, including coxswains certificates, vessel operation competency, and safety management systems training for young rangers of the future.

In 2015 we extended our partnership with the Department and the Gudjuda Land and Sea Rangers through the Educational Pathways for Youth to Care for Gungu (Marine Turtle) Project. The two year program involves an educational package associated with marine conservation targeted at university, high school and primary school levels.

The project will deliver eight marine science and twelve junior ranger programs including cultural camps, community education events and further training of Gudjuda rangers. Educational resources will be developed to support these programs.

We have provided \$130,000 to deliver a 6.2 metre custom-built vessel for the group's turtle conservation work.



Welcome to country ceremony



In 2012, our Australian coal business launched its Reconciliation Action Plan (RAP), which focuses on practical and meaningful efforts to address issues affecting Aboriginal people within the Upper Hunter region of New South Wales (NSW).

CASE STUDY

Reconciliation Action Plan

New South Wales

The RAP aligns these initiatives with national efforts coordinated by Reconciliation Australia on closing the social, economic and health gaps between Aboriginal and Torres Strait Islander peoples and the broader Australian population. Our projects and partnerships have delivered opportunities and assistance in areas of greatest need. These include:

- Officially acknowledging Traditional Owners at our mine sites, including cultural awareness training for our people
- Establishing an effective Community Working Group
- Implementing a mobile health unit to serve Aboriginal communities in the Upper Hunter area
- Supporting Ungooroo Aboriginal Corporation's IT infrastructure requirements to provide General Practitioner and specialist medical services
- Partnering with the Potche Centre for Indigenous Health to provide mobile dental equipment to improve dental services
- Ongoing funding of primary and secondary scholarships through our Galuwa program with the Department of Education and Communities
- Supporting important cultural events, including the Wupa@Wannaurua that showcase Aboriginal artists' work throughout one of the state's top tourist destinations, the Hunter Valley vineyards.

ABOUT GLENCORE COAL NEW SOUTH WALES

- We employ around 4,750 people across our NSW coal business and in 2015 managed the production of more than 53 million tonnes of saleable thermal and coking coal
- We have eight mining complexes across four coalfields: Hunter Valley, Newcastle, Western Districts and Southern Districts. We export coal from the Port of Newcastle and also from Port Kembla



Borroloola Community Swimming Pool

The McArthur River Mine (MRM) Community Benefits Trust was established in 2007 for the life of our zinc-lead mine, near Borroloola in the Northern Territory.

CASE STUDY

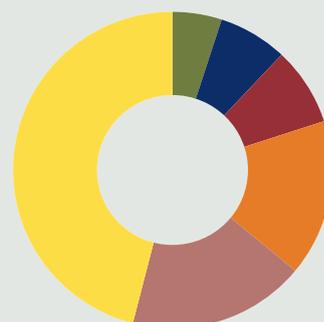
McArthur River Mine Community Benefits Trust

Northern Territory

The charitable trust is an innovative model that collaborates with the Northern Territory Government and the local community to contribute to the socio-economic development of the region. It aims to bring to life a long-term vision of sustainability, developed in close partnership with the community, for the community.

\$10.4m

invested over eight years in 63 projects.



- Enterprise and job creation
- Culture and art
- Education
- Environment
- Social and community development
- Health



McArthur River Mine Community Benefits Trust spotlight: Supporting the Li-Anthawirriyarra Sea Ranger Unit and Yanyuwa Sea Country

Northern Territory

A particular area of focus for the Trust has been to support the Li-Anthawirriyarra Sea Ranger Unit. The unit manages an Indigenous Protected Area of the Gulf of Carpentaria and around the Sir Edward Pellew Islands, just north of McArthur River.

Between 2010 and 2013 we invested \$806,990 through the Trust, as well as providing MRM personnel support and sponsorship, across eight initiatives supporting the Sea Rangers and the Yanyuwa people of the sea country.

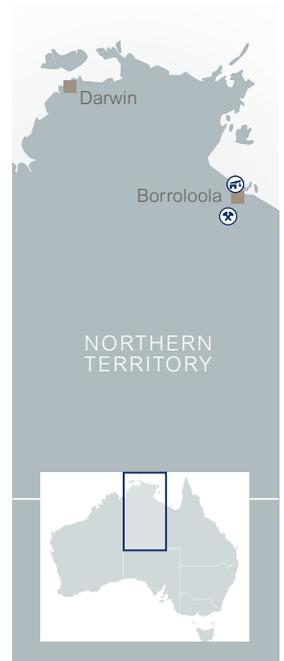
The activities included:

- Two new vehicles for the rangers and contribution to operational costs (2011–2013)
- Development of a Plan of Management and subsequent commercial development of small economic enterprises to provide an income stream and employment to support environmental management activities in the Indigenous Protected Area (commenced 2011 and additional grant in 2013 for two years to 2015)
- A long-term study on dugong and coastal dolphin in the Yanyuwa Sea Country by James Cook University in collaboration with the Sea Rangers (commenced 2013)
- Support for eco-tourism establishment and trials on West Island for a turtle camp providing visitors with the opportunity to



participate in turtle research undertaken by the Rangers and Yanyuwa families (2012 and expanded in 2013)

- Publishing a Yanyuwa dictionary with Monash University's Indigenous Centre with over 4,000 entries of words and translation, and a collection of texts and songs (2013)
- Involvement of Sea Rangers in the annual marine monitoring program conducted by MRM and reporting back on results
- Providing support for Sea Ranger representatives to attend the Northern Territory Government's Territory Natural Resource Management forum in Darwin.



ABOUT MCARTHUR RIVER MINING

- McArthur River Mine is located in the Northern Territory approximately 970 km south-east from Darwin and 60 km south-west of its closest township, Borroloola
- MRM produces zinc and lead in concentrates from one of the world's largest zinc and lead deposits
- MRM provides direct employment to nearly 700 people, including contractors and is a big contributor investing around \$2 billion into the Northern Territory over the past five years

CASE STUDY

Clermont Aboriginal Community Development Fund

Queensland



ABOUT CLERMONT

- The Clermont Open Cut Mine is a large scale open-cut operation, located approximately 12 kilometres from the town of Clermont in central Queensland
- After commencing operations in 2010, Clermont now produces approximately 12 million metric tonnes of high energy thermal coal with relatively low ash and sulphur using a truck and shovel method

Glencore operates the Clermont Open Cut Coal mine within the Project Area also known as the Wangan and Jagalingou Native Title Claim. When Glencore purchased Rio Tinto Coal Australia’s (RTCA) interest in Clermont Mine in 2014, we were assigned all rights and responsibilities of RTCA as a party to the ILUA.

The Wangan and Jagalingou native title claimants (and Rio Tinto as the previous mine owners) signed an *Indigenous Land Use Agreement (ILUA)* in May 2008, which was later registered with the National Native Title Tribunal in December 2008.

The ILUA states that it is intended to deal with the desire of the parties to work together in a way that:

- (a) Respects the rights and interests of all parties
- (b) Benefits all parties
- (c) Ensures that Aboriginal Traditions are respected
- (d) Allows Glencore and the Clermont entities to achieve their respective objectives in relation to the Project.

The ILUA establishes an *Aboriginal Community Development Fund (ACDF)* that provides funds to support community driven projects that deliver positive, constructive, real and sustainable outcomes to the Aboriginal Community of Interest. The ACDF is administered by the Aboriginal Community Development Fund Committee (ACDFC).

The ACDF is a vehicle to assist the Aboriginal Community of Interest achieve their ‘Vision of the Future’. The Vision essentially seeks to achieve equivalent access and outcomes in education, training, employment and economic participation as that enjoyed by the community as a whole as well as retaining the unique heritage and traditions of the Wangan and Jagalingou People.

VISION

“Aboriginal People enjoy the same prospects for employment, economic prosperity and quality of life as other community members.”

OBJECTIVES

Capacity Building

“That Aboriginal people are able to participate fully in their community and are empowered to take greater control of their health and community wellbeing.”

Education and Training

“That Aboriginal children reach educational outcomes at the same level as the community average and that there is continual improvement of the educational, training and pre-vocational skills and abilities of Aboriginal people living in the region.”

Cultural Heritage

“That ancient cultural heritage of the Wangan Jagalingou people is identified and preserved for the benefit of current and future generations.”

Governance

“That professional governance structure and process to enhance effective and efficient planning and decision-making, leadership, coordination and monitoring of the Fund is developed and maintained.”

The ACDF Committee considers applications at its meetings and comprises representatives from Glencore, the Wangan and Jagalingou people and the broader Clermont Aboriginal Community.





\$1.3 m

FULLY-SUPPORTED INDIGENOUS EMPLOYMENT PROGRAM PROVIDES A PATHWAY FOR INDIGENOUS AUSTRALIANS FROM THE COMMUNITY TO FULL-TIME WORK AT OUR OPERATIONS.

CASE STUDY

Mount Isa Mines: Indigenous Employment Program

Queensland

In 2014 we revised an existing Indigenous Employment Program to train and mentor local Indigenous people working for us as trainees, and transition them to full-time jobs across our business. The program has been delivered in partnership with a number of local organisations including work-ready training provider Myuma, run by Indigenous people.

The \$1.3 million program provides training and mentoring opportunities for up to 48 local people every year. To date, 80 people have successfully completed the program.

After our recruitment process, trainees attend a 12-week program at the Myuma Group Vocational Training and Employment Centre to introduce them to the mining industry in a safe and supported environment. Trainees live at a residential campsite where they gain key qualifications, have access to Indigenous mentors, and experience the values and work ethic required for full-time employment.

Our trainees then enter a 12-week supported employment program at Mount Isa Mines to get first-hand experience in an underground mining environment, with the guidance and support of a dedicated full-time supervisor and mentor. Those who successfully complete the first two stages have the opportunity to apply for full-time employment at our operations.

In 2015 we expanded the program to include Ernest Henry Mining, our copper operation near Cloncurry. A surface program has also been introduced at the Mount Isa copper concentrator to offer more job diversity.

Eighteen graduates of the program are now in full-time employment at Mount Isa Mines, either directly with Glencore or as contractors. In 2016 we will begin to partner successful graduates with experienced Indigenous employees from across our workforce to provide ongoing mentoring and support, and improve long-term employment outcomes.

ABOUT MOUNT ISA MINES

- Operating since 1924, Mount Isa Mines remains one of Australia's largest industrial complexes, operating two separate mining and processing streams, copper and zinc-lead-silver
- Provide work for over 4,000 people including contractors, with more than 98% of our workforce living locally



“THE BURROWER”

Christopher Edwards-Haines

The grubs in the painting represent the miners as they burrow through the earth. The blue grey colours are both the rock and coal formations. The green colours represent the mountain, valleys and ridges of the upper hunter. The hands from the rocks are significant initiation areas of the Wanaruah (mob) people. The moths represent rejuvenation, return to life, get or give new life and energy.

ABOUT THE ARTIST

Christopher Edwards-Haines has survived being taken from his mother at nine months of age (his father was killed while Christopher was still in the womb), a childhood spent in non-Indigenous foster homes, an adolescence spent in detention centres, and 11 years in and out of adult jails. Christopher continues to have a love of creating colourful, personalised paintings that illustrate his journey through trauma to a place of healing.



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