



Directors' remuneration report *continued*

3. Directors' Remuneration Policy

The design of the new Remuneration Policy was the main area where the Remuneration Committee sought shareholder input during 2023.

As part of the Remuneration Policy review, the Remuneration Committee considered Glencore's position as one of the largest global, diversified, and vertically integrated natural resources companies in the world which produces and trades more than 60 commodities. Despite its UK listing, there are very few UK-listed companies that are similar to Glencore in scope and complexity. Therefore, in addition to Anglo American, BHP, BP, Rio Tinto and Shell (our UK-listed peer group), the Remuneration Committee felt that remuneration should reflect a more global context, including in comparison to those that are outside of the resources industry and/or based in North America to ensure that remuneration levels are not just locally but also globally competitive.

The Remuneration Committee's view is that the Remuneration Policy that is being submitted to shareholders for approval at the 2024 AGM reflects the balance of investor feedback received during the consultation and, in line with one of the Remuneration Committee's principal aims at the outset of the review, ensures that the approach to remuneration reinforces long-term alignment with the shareholder experience. Our intention is that this Remuneration Policy provides us with a fit-for-purpose executive pay framework for the next three years.

The Remuneration Policy as set out in this section of the report will take effect for all payments made to Executive Directors from the date of the 2024 AGM, subject to shareholder approval. UK legislation and related investor guidance encourages companies to disclose a cap within which each element of Remuneration Policy will operate. The Remuneration Policy for the Executive Directors only applies to Mr Nagle as he is the only Executive Director.



Directors' remuneration report *continued*

Remuneration Policy table for Executive Directors

Element of remuneration	Purpose and link to strategy	Policy and operation	Maximum opportunity	Performance measure(s)
Base salary	To recruit, retain, and motivate individuals of a high calibre, and reflect the skills, experience, responsibilities, and contribution of the CEO	<p>Reviewed annually with increases effective 1 January; reflects the individual's role and contribution</p> <p>Increases take account of those applied across the wider workforce</p> <p>The Remuneration Committee retains discretion to award higher increases where appropriate to account for market conditions, performance and/or development of the individual, a change in the responsibility and/or complexity of the role, new challenges, or a new strategic direction for the Company</p> <p>Base salary is paid monthly in cash</p>	<p>There is no set maximum to salary levels or increases. Salaries are reviewed annually with consideration for those applied across the Swiss workforce. Salary increases, if any, are effective 1 January</p>	Not applicable.
Pension	To provide retirement benefits which reflect local market and wider workforce practices	<p>Participation in the defined contribution scheme for all Swiss head office-based employees</p> <p>Any Executive Director's benefit will be aligned with the average percentage contribution or entitlement available to staff in the relevant market</p>	<p>An annual cap on the cost of provision of retirement benefits of \$150k per Executive Director has been set</p>	Not applicable.
Benefits	To ensure broad competitiveness with local market practice	<p>Current benefits include salary loss (long-term sickness) and accident/travel insurance</p> <p>The Company may periodically change the benefits available to staff for the office at which an Executive Director works in which case the Director would normally be eligible to receive the amended benefits on similar terms to all relevant staff. In the case of a Swiss-based executive, this would be expected to mean employees generally in the Baar office</p>	<p>The Company shall continue to provide benefits to Executive Directors at similar levels in line with local Swiss policy; where insurance cover is provided by the Company, that cover shall be maintained at a similar level and the Company shall pay the prevailing market rates for such cover</p> <p>A monetary limit of \$100,000 p.a. applies to benefits</p>	Not applicable.



Directors' remuneration report *continued*

Element of remuneration	Purpose and link to strategy	Policy and operation	Maximum opportunity	Performance measure(s)
Career Shares Plan	To incentivise the creation of shareholder value and the need to reward sustainable long-term performance	<p>Annual awards are determined with reference to performance dimensions where ESG, operational and financial performance, as well as strategy delivery will be assessed at the time of the award. The majority of the assessment will be based on financial performance. Material adjustments may be made to the award (including to zero) in certain circumstances to ensure there are no rewards for failure</p> <p>Vesting of the awards would be subject to an underpin applying over a three-year period. The underpin will be based on a holistic review of overall business performance including shareholder distributions, absolute and relative shareholder performance and progress against ESG initiatives in line with the previously approved Restricted Share Plan</p> <p>Malus and clawback clauses apply as described below</p> <p>Shares will only be released (other than to meet tax obligations) on the later of five years from grant and two years post employment</p>	The maximum Career Shares award that can be made in any year is set at 525% of salary. The target opportunity in any year is set at 350% of salary	Career Shares are performance-modified on award, based on performance dimensions assessed by the Remuneration Committee and vesting is subject to comprehensive performance underpins
Personal shareholding	Provides long-term alignment with shareholders	<p>Usually to be achieved within five years of Board appointment</p> <p>An Executive Director will normally be required to retain the lower of the actual holding on stepping down from the Board and such shares as then represents the policy level of 525% of salary for two years after stepping down or until retirement, whichever is longer, (although the Board may relax this requirement in appropriate cases) with such policy enforceable through a requirement to lodge such shares at the Company's request</p>	In-post shareholding guideline equal to 525% of salary, in line with the proposed combined maximum incentive opportunity	Not applicable

Directors' remuneration report *continued*

Discretion and vesting subject to the underpin

In addition to the specific discretions set out in the Remuneration Policy table on the preceding page, the Remuneration Committee may exercise various discretions related to the operation of the proposed Remuneration Policy, subject to any applicable plan rules. In particular, these include, but are not limited to, the following:

- the participants of the Career Shares Plan;
- the timing of award grants, vesting and/or payment;
- the size of an award and/or payment (subject to the limits set out in the proposed Remuneration Policy table);
- the determination of vesting;
- dealing with a change of control or corporate restructuring;
- the determination of a good/bad leaver for incentive plan purposes and the treatment of pro-rating and holding periods;
- adjustments required in certain circumstances (e.g. rights issues, corporate reorganisation and/or change to capital structure); and
- the determination of the appropriate performance conditions, underpins, weightings and targets for the Career Shares Plan.

The holistic, qualitative judgement, which is applied as an underpin test before final vesting of Career Shares is confirmed, is an important aspect to ensure that vesting is not simply driven by a formula or the passage of time that may result in unexpected or unintended remuneration outcomes.

The exercise of any discretion will be fully disclosed and explained in the applicable statement of implementation of the Remuneration Policy.

Malus and clawback

Awards subject to the applicable plan rules governing the Career Shares Plan are subject to malus and clawback provisions that allow the Remuneration Committee to reduce or clawback awards and may be applied in certain circumstances, such as material failures in the financial, operational, compliance, or ESG performance of the Company and a failure to identify and/or report such failure(s); and any other circumstances that are deemed to have a significant impact on the reputation or financial prospects of the Company.

The Remuneration Committee may, in its discretion, decide to delay vesting and therefore extend the period during which malus and clawback may be applied if facts come to light within the period warranting an investigation.

Service contracts

It is the Company's policy to provide for 12 months' notice for termination of employment for Executive Directors, to be given by either party.

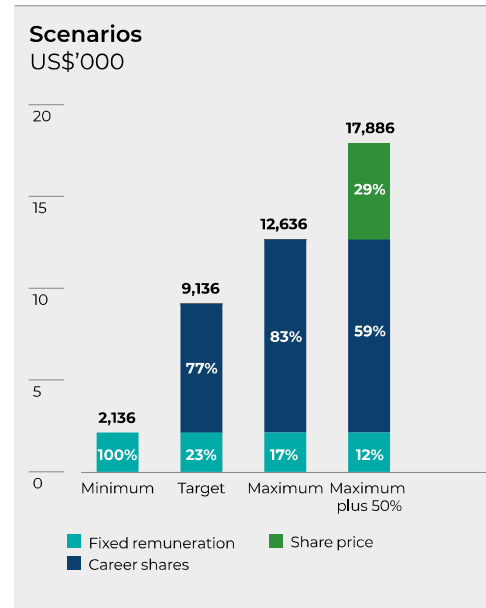
Under normal circumstances, the Company may terminate the employment of an Executive Director by making a payment in lieu of notice equivalent to basic salary only for the notice period at the rate current at the date of termination. In appropriate cases, the Executive Director can be dismissed without compensation.

Potential rewards under various scenarios

The chart below is based on the following scenarios, in accordance with UK reporting regulations and based on the 2024 implementation of the proposed Remuneration Policy set out on page 150 in this report:

- Minimum: Mr Nagle's 2024 salary of \$2m, Pension of \$121k and 2023 benefits of \$15k
- Target pay: as Minimum, plus Career Shares payable at target, based on target opportunity of 350% of salary
- Maximum pay: as Minimum, except Career Shares at maximum opportunity of 525% of salary
- Maximum plus: as Maximum pay, except the share price on the Career Shares is assumed to increase by 50%

Each element ignores the impact of distribution roll-up



**Directors' remuneration report** *continued***Policy table for Non-Executive Directors**

Non-Executive Directors are not eligible to participate in any performance-based pay or pension arrangements. Details of the policy on fees paid to Non-Executive Directors are set out in the table below:

Element of remuneration	Purpose and link to strategy	Policy and operation	Maximum opportunity	Performance measure(s)
Fees	Reflects time commitment, experience, global nature and size of the Company	<p>The objective in setting the fees paid to the Chairman and the other Non-Executive Directors is to be competitive with other listed companies of equivalent size and complexity</p> <p>Fee levels are periodically reviewed by the Board (for Non-Executives) and the Remuneration Committee (for the Chairman). In both cases, the Company does not adopt a quantitative approach to pay positioning and exercises judgement as to what it considers to be reasonable in all the circumstances as regards quantum</p> <p>Non-Executive Directors and the Senior Independent Director receive a base fee</p> <p>Additional fees are paid for chairing or membership of a Board committee</p> <p>The Board Chairman receives a single inclusive fee</p> <p>Reasonable business-related expenses are reimbursed (including any tax thereon)</p> <p>Non-Executive Directors are not eligible for any other remuneration or benefits of any nature</p> <p>The fees are reviewed periodically</p>	<p>Fees are paid monthly in cash</p> <p>Aggregate fees for all Non-Executive Directors (including the Chairman) are subject to the cap set in the Articles of Association. This is currently set at \$5,000,000</p>	Not applicable



Directors' remuneration report *continued*

Recruitment Remuneration Policy

Executive Director appointment

The Company's Executive Director Recruitment Remuneration Policy aims to give the Remuneration Committee sufficient flexibility to secure the appointment and promotion of high-calibre executives to strengthen the management team and secure the skill sets to deliver our strategic goals.

In determining an appropriate remuneration package, the Remuneration Committee will take into consideration all relevant factors (including quantum, nature of remuneration, and the jurisdiction from and to which the candidate is recruited) to ensure that arrangements are at the same time fair to the individual and in the best interests of the Company and its stakeholders.

The starting point for the Remuneration Committee will be to review the particular circumstances of any appointment in line with developments in market practice and corporate governance by that point in time. We are cognisant that the proposed Remuneration Policy does not reflect typical market practice but we believe this is the most appropriate design to retain and motivate the current Executive Director for whom this Remuneration Policy applies.

For any future Executive Director appointments, the Remuneration Committee will review the remuneration package at that time by considering, among other factors, the proposed Remuneration Policy as well as the former Remuneration Policy (as approved at the 2021 AGM). However (consistent with the UK regulations) for a newly appointed Executive Director the Remuneration Committee is not constrained by the caps on fixed pay within the Remuneration Policy on a recruitment or at any subsequent annual review within the life of this Remuneration Policy as approved by shareholders. Nonetheless, the Remuneration Committee will not pay more than it considers to be necessary to support recruitment having regards to appropriate market rates and evolving best practice.

In cases of appointing a new Executive Director by way of internal promotion, the Remuneration Committee and Board will be consistent with the policy for external appointees detailed above (except in relation to buy-outs). Where an individual has contractual commitments made prior to their promotion to Executive Director level (and not in connection with their promotion to this level), the Company will continue to honour these arrangements (other than pension contribution) even if these are not provided for by the Remuneration Policy in force at the time of appointment (or when the arrangements were originally agreed).

For external and internal appointments, the Remuneration Committee may agree that the Company will meet certain relocation expenses as they consider appropriate and/or to make a contribution towards legal fees in connection with agreeing employment terms. Such costs will be outside the formal caps and will be limited to two years.

The Remuneration Committee reserves the right to make awards of incentive pay that are necessary to secure a candidate, to compensate for the forfeiture of incentive awards or other remuneration from a previous employer. Details of any such awards will be appropriately disclosed.

Where it is necessary to make a recruitment-related pay award to an external candidate the Company will not pay more than is in the view of the Remuneration Committee necessary and will in all cases seek in the first instance to deliver any such awards under the terms of the existing incentive pay structure. It may however be necessary in some cases to make such awards on terms that are more bespoke than the existing Career Shares pay structure in the Group in order to secure a candidate.

All such awards for external appointments to compensate for awards forfeited on leaving a previous employer will take account of the nature, time-horizons and performance requirements on those awards. In particular, the Remuneration Committee's starting point will be to ensure that any awards being forfeited which remain subject to outstanding performance requirements (other than where these are substantially complete) are bought out with replacement requirements and any awards with service requirements are bought out with similar terms. However, exceptionally the Remuneration Committee may relax those obligations where it considers it to be in the interests of shareholders and those factors are in the view of the Remuneration Committee equally reflected in some other way, for example through a significant discount to the face value of the awards forfeited. It will only include guaranteed sums where the Remuneration Committee considers that it is necessary to secure the recruitment and where the forfeiture risk is considered to be low.

For the avoidance of doubt, where recruitment-related awards are intended to replace existing awards held by a candidate at an existing employer, the maximum amounts for incentive pay as stated in the general policies will not apply to such awards. The Remuneration Committee has not placed a maximum limit on any such awards which it may be necessary to make as it is not considered to be in shareholders' interests to set any expectations for prospective candidates regarding such awards. In exceptional circumstances, the Remuneration Committee may use the exemption permitted within the Listing Rules. Any recruitment-related awards which do not replace awards with a previous employer will be subject to the limits on incentive awards as detailed in the general policy.

The elements of any package for a new recruit and the approach taken by the Remuneration Committee in relation to setting each element of the package will be consistent with the Executive Directors' Remuneration Policy described in this report, as modified by the above statement of principles where appropriate.

Non-Executive Director appointment

A new Non-Executive Director would be recruited on the terms explained on page 157 in respect of the main Remuneration Policy for such Directors.