<u>To the kind attention of:</u>

Mr. Kalidas Madhavpeddi, *Chairman*

Glencore Plc

Baarermattstrasse 3

CH-6340 Baar – Switzerland

CC: Glencore's Board of Directors

Glencore's Top Shareholders

January 17th, 2024

Dear Mr. Madhavpeddi,

As you are aware, Bluebell Capital Partners Limited ("**Bluebell Capital**"), in our capacity as the Investment Manager of Bluebell Active Equity Master Fund ICAV - a shareholder of Glencore Plc ("**Glencore**" or the "**Company**") - wrote to you initially in November 2021.

In our original letter, with a constructive approach, we suggested key areas for action including *(i)* the disposal of Glencore's holdings in Viterra, considering it a non-core asset, and *(ii)* the demerger of the Thermal Coal business to accelerate Glencore's repositioning as a leading pure player in metals crucial to the green economy transition. Our thesis was that these proposed actions would create long-term shareholder value by eliminating the approximately 30% discount relative to peers, at which Glencore's Industrial Activities ex-coal were then trading (2.6x EV/2022 EBITDA).

Unfortunately, Glencore simply decided not to engage and to ignore our suggestions, leaving Bluebell Capital with no other option than to launch a public campaign and build strong opposition against Glencore's management at the AGMs in 2022 and 2023.

Bluebell Capital Partners Limited
2 Eaton Gate, London SW1W 9BJ
Tel: +44 20 3826 0100

After almost two years, on June 13th, 2023, Glencore announced an agreement with Bunge Limited to merge Bunge with Viterra in a cash-and-stock transaction, effectively marking Glencore's exit from the agricultural business. Subsequently, on November 14th, 2023, Glencore announced the acquisition of a 77% interest in Teck's steelmaking coal business, with the intention to demerge the combined steel (Teck) and thermal (Glencore) coal business in two years.

We harbour serious reservations regarding the execution of both the disposal of Viterra (as the agreed terms of the deal are punitive for Glencore's shareholders[1]) and the demerger of the thermal coal (the US$ 6.93 billion consideration for the acquisition of Teck's metallurgical coal is the price Glencore's shareholders appear to be forced to pay as a face-saving exercise for CEO Nagle, who unreasonably refused to demerge thermal coal as a standalone business).

Nevertheless, both transactions, which we believe fail to realize the full value potential to the detriment of Glencore's shareholders, signify a capitulation of Glencore's initial resistance to our requests and the complete fulfilment of our key demands. The discount of Glencore's industrial activities excluding coal has indeed closed, as we initially envisioned (it moved from 33% in November 2021 to 3% in December 2023), and for full disclosure, we have now exited the position, which has worked extremely well for our own book.

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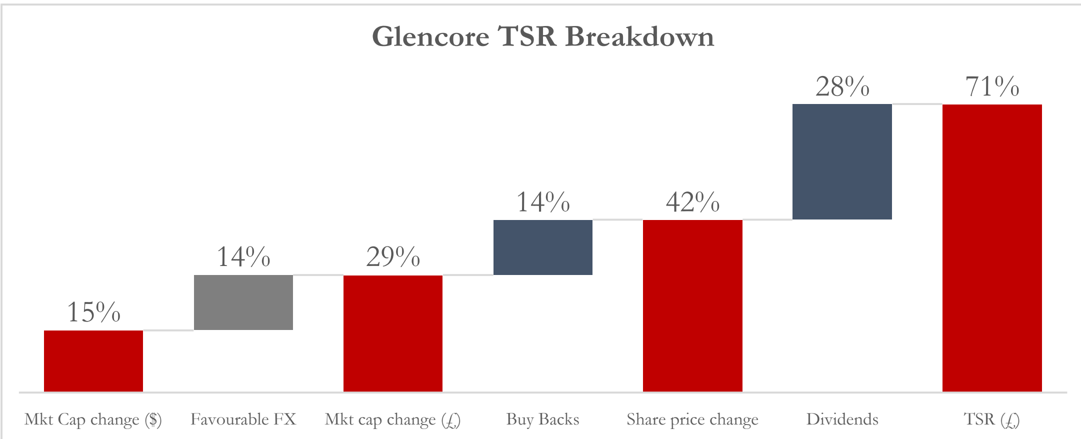
[1] Public disclosures indicate that Glencore sold Viterra at a headline 7.9x LTM PE, which was a 10% discount to its peer Bunge (Based on the June 12, 2023 Bunge share price of $93.79). This is hardly appropriate for a business that as recently as February 2023 "has continued to go from strength to strength" (Steve Kalmin, 15 February 2023, FY 2022 Glencore earnings call) and on which Mr. Nagle did not "believe we're getting the right value and their competitors in the market where one could value it against and see where they trade" (Gary Nagle, 15 February 2023, FY 2022 Glencore earnings call). Viterra was sold for "no takeover premium"(UBS research on Glencore, June 13, 2023), an "underwhelming valuation for GLEN shareholders" (UBS research on Glencore, June 13, 2023) and while the equity valuation at the time of the agreed sale was up 31% versus the 2016 minority stake sale to the Canadian Pension Plan Investment Board ("CPPIB"), the LTM EBITDA was more than 4x higher when referenced to 2016. According to Bluebell Capital's analysis, Bunge will pay 3.5x EV/LTM EBITDA for the control of Viterra today, while CPPIB paid a 7.0x EV/LTM EBITDA multiple for a minority stake in 2016.

At the current price, we see very limited upside on Glencore's share price, and we view the risk-return trade-off as very unfavourable, with any upside tied to commodity prices (which any investor can capture by buying futures on individual commodities) and the downside associated with the current weak executive leadership.

Since his appointment as CEO in July 2021, Mr. Nagle succeeded in the remarkable task of alienating shareholders, with dissent increasing from 5.6% (AGM 2021, when Glencore's CEO was Ivan Glasenberg) to 30.25% at the last AGM (2023). At the last AGM, Mr. Nagle also managed to alienate its leading shareholder (BlackRock), which had traditionally voted in line with management's recommendations.

Speaking candidly, after two years closely following, and communicating with the Company, we have lost faith, trust, and confidence in Mr. Nagle, whom we view as the real stumbling block for future value creation. Additionally, based on our intelligence, Mr. Nagle's diminishing market support is privately shared internally inside the Comnpany.

Take for example the value creation during Mr. Nagle tenure. According to Bloomberg data, the Total Shareholder Return ("TSR") from Mr. Nagle's appointment on July 1st, 2021, to today (16/1/2024) is 70.7% in GBP terms. Out of this TSR, 60% is represented by dividends and buybacks. In our calculation, the change in market capitalisation in GBP terms is 29%, and a meagre 15% in dollar terms (reporting currency).



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What's more, in our calculation, ~80% of the dividend and buybacks were funded by "excess Coal cash flow"[2], as evidenced in the analysis below.

Year	Dividend and Buy Backs ($bn)	Coal EBITDA ($bn)	Excess Coal EBITDA ($bn) (i.e. above 2021 levels)	Excess Coal EBITDA as a % of Dividend and Buy Backs
2021	4	5.2	0.0	0%
2022	7.5	17.9	12.7	169%
1H 2023 annualised	9.3	9.1	3.8	41%
Total	**20.8**	32.2	**16.5**	**79%**

Mr. Nagle managed to deliver a TSR just in line with BHP (TSR in the period of 72.8%[3]) which has minimal coal exposure, notwithstanding an unforeseeable 'excess coal EBITDA' windfall of over $16bn or ~27% of the market cap at the beginning of his tenure.

While we are no longer shareholders and have no intention of reinvesting in the Company under current leadership, we strongly recommend that the Board reviews Mr. Nagle's performance and considers appointing an external CEO. This change is crucial not only for fostering the cultural transformation of a company that has historically been entangled in numerous bribery and corruption investigations, some of which are still ongoing, but also because Mr. Nagle, after almost three years, has completely failed to realize this imperative.

As we said in last April's letter, Glencore deserves so much more than an Austin Powers "*mini-me*" type character as the Company CEO. We kindly ask you to share this letter with the Board of Directors.

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[2] Illustratively assuming that excess EBITDA is a proxy for cash flow. Even considering a hypothetical 28% tax rate in line with FY 2022 accounts would make the "Excess Coal Cash Flow" account for ~60% of all dividends and buy backs in the past three years.
[3] Bloomberg data in the period 1/7/2021 – 16/1/2024 assuming dividend reinvestment in the stock. TSR expressed in GBP terms.

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Yours sincerely,

Giuseppe Bivona

Partner and CIO

Marco Taricco

Partner and CIO

CC: David Platero, Portfolio Manager

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