

Glencore Xstrata axes Bond

ZURICH, SWITZERLAND - The chairman of newborn mining and commodities giant Glencore Xstrata, John Bond, was on Thursday (16 May) axed by its annual general meeting, just weeks after the Swiss-based group was created via a merger of two major mining companies.



A total of 80.85% of shareholders voted against re-electing former Xstrata official Bond.

In a statement, Glencore Xstrata said that it took note of the results and that it was launching the search process for a new chairman.

"Given that Sir John Bond is no longer a director, the board has appointed Tony Hayward as interim chairman with immediate effect with the intention that he will step down once a new chairman takes up the role," it said.

Hayward, who quit as head of energy giant BP in the wake of the 2010 Deepwater Horizon oil rig spill in the Gulf of Mexico, had been serving as an independent non-executive director of Glencore Xstrata.

In November, Bond had announced that he would step down after the Glencore Xstrata merger was complete, but only after a successor had been identified.

But he caused a stir at the start of Thursday's meeting (16 May) by announcing that he was in any case not set to be re-elected and, without offering an explication to shareholders, asking Hayward to chair the assembly.

Three other members of the board, all previously with Xstrata, were also ditched by the annual general meeting.

Commodities trader Glencore International's merger with mining corporation Xstrata was painted as a marriage of equals.

But the new group, steered by Glencore's Ivan Glasenberg, has kept on just two former Xstrata officials in key posts.

In addition, it on confirmed on Monday (13 May) that it had dumped plans for a new billion dollar coal export terminal in Australia's Queensland state, citing poor current market conditions and concerns about the outlook.

The terminal project was the brainchild of Xstrata.

Glasenberg recently pledged to launch a cost-saving drive, notably by trimming the Xstrata-era administration.

Glencore Xstrata was created formally at the beginning of this month after having been put on ice for several months pending approval from Chinese regulators.

Source: AFP via I-Net Bridge

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