

Coal, climate and the shareholders

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A further challenge for Glencore, and for the trading cluster of Zug, concerns coal. Glencore is one of the largest producers and traders of thermal coal in the world, a position that it strengthened through its acquisition of the Xstrata coal operations in 2013 and through later acquisitions.¹ The pressure of investors and of the public to reduce the production of coal, as part of the transition to a low-carbon economy, has made the company's coal business a subject of debate at its general meetings and in its dealings with its shareholders. The company has committed itself to a gradual reduction of its coal production and to targets for the reduction of its emissions. It has also sought the approval of its shareholders for its climate strategy.²

For the canton of Zug, the coal question is a further example of the reputational exposure that the commodity cluster brings. A canton that presents itself as a location of innovation, sustainability and quality of life hosts the headquarters of one of the largest coal companies in the world. The same tension affects every financial and commercial centre that hosts companies in the extractive industries. It is, however, particularly visible in a small canton whose economy is dominated by a few large groups.

1 Notes

1. Glencore, "Coal", glencore.com, accessed September 2026: "one of the world's largest producers and exporters of seaborne traded thermal and steelmaking coal"; thermal coal operations in Australia, at Cerrejón in Colombia and in South Africa; steelmaking coal in Australia and in Canada through Elk Valley Resources (EVR); Wikipedia (English), "Glencore": acquisition of Teck Resources' steelmaking coal business for 9 billion dollars, agreed in November 2023 and completed in July 2024 as Elk Valley Resources. The date of the acquisition of the

remaining interests in Cerrejón (2022) is not stated in these sources.

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2. Glencore, "Climate change", glencore.com, accessed September 2026: ambition "to achieve net zero industrial CO₂e emissions, subject to a supportive policy environment by the end of 2050", a managed phase-down of coal and the 2024–2026 Climate Action Transition Plan. MINING.COM, "Glencore's climate action plan wins more support from shareholders", mining.com: about 10 per cent of shareholders voted against the 2024–2026 plan at the 2024 annual general meeting, compared with about 30 per cent against the climate report in 2023; the plan provides for the closure of at least 12 thermal coal mines by 2035 and an intermediate target of a 25 per cent emissions reduction by 2030.

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