



[Andrew Forrest's Fortescue slashes 700 jobs, tempers green hydrogen ambitions](#)

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Highlight: Mining billionaire Andrew Forrest's **Fortescue** will slash 700 jobs, as the company tempers its ambition to be a major producer of the clean fuel hydrogen.

Body

Mining billionaire Andrew Forrest's **Fortescue** will slash 700 jobs and merge its mining and energy divisions, as the company tempers its ambition to be a major producer of the clean fuel hydrogen.

The \$70 billion miner announced late on Wednesday - shortly after Forrest addressed its almost 16,000 staff - that the cuts would mainly hit white-collar roles.

[Link to Image](#)

Alex Ellinghausen

Since 2020, Forrest has toured the world promoting the virtues of green hydrogen as an emissions-free fuel and seeking to partner with governments that have areas suitable for producing the vast amounts of wind, solar or hydropower required.

Forrest defended the high-profile quest, which involved **Fortescue** assessing 150 projects across the world at one stage in the search for cheap electricity, as a targeted effort to ensure value for shareholders.

"The 'scattergun' critics obviously haven't gotten a lot of new industries off the ground," he said.

However, **Fortescue**'s reassessment on Wednesday highlights a realisation that producing the huge amount of energy required to separate hydrogen from water is extraordinarily costly.

It now plans to switch its focus to reducing that cost. Forrest said it would enable the company to compete "blow for-blow" with "fossil fuel peddlers".

In recent years, [Forrest has set increasingly ambitious climate goals](#) for the iron ore miner that made him Australia's richest man.

He first charged the mine operations with the goal of emitting [net zero carbon emissions](#) by 2030, two decades ahead of the two bigger Pilbara miners, Rio Tinto and BHP.

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Later, Forrest demanded zero actual emissions, removing the option to buy carbon offsets for any emissions that were technically difficult or prohibitively expensive to eliminate.

"We've got this unfolding miracle of **Fortescue** going fully green this decade," he said.

Initially, **Fortescue** touted [green hydrogen](#) as vital to decarbonise its own operations but more recently its efforts have almost exclusively focused on electrifying its operations, which are heavily dependent on diesel, and ensuring that the electricity used is renewable.

Forrest's goals covered both **Fortescue's** own emissions - termed Scopes 1 and 2 - and the far greater carbon pollution from the steel mills buying **Fortescue** iron ore, known as Scope 3 emissions.

In late 2021, **Fortescue** targeted zero Scope 3 emissions by 2040 and the production of 15 million tonnes a year of green hydrogen by 2030.

"That is what the world needed, and that's where we always start," he said, adding that the targets were set before the "massive spikes" in energy prices in part caused by the market upheaval after Russia invaded Ukraine.

In early 2023, **Fortescue** committed to making final investment decisions on at least five green hydrogen projects by December 2023. It achieved two: a plant to make 30 tonnes of liquid hydrogen a day [in Arizona](#) and a \$US150 million (\$223 million) investment in a facility in [Gladstone, Queensland](#).

There are no more commitments to investments, but **Fortescue** will keep investigating the feasibility of a project in Norway that is three times bigger than the Gladstone plant, and may also launch a study into an opportunity in Brazil.

As part of the restructure accompanying the job cuts, **Fortescue** will retain dual chief executives - Dino Otranto for mining and Mark Hutchinson in energy - but will merge other senior corporate roles.

Two executives who have been with **Fortescue** for 18 months or less have emerged as major winners. Chief financial officer for mining Apple Paget will take on that role for the entire company, and Shelley Robertson will move from chief corporate officer to chief operating officer.

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Graphic

Andrew Forrest addressed **Fortescue's** almost 16,000 staff.

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