



Fortescue in reshuffle of green team

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Body

Andrew Forrest's **Fortescue** has embarked on a major management restructure of its energy -division amid a wave of new executive departures, with Argentinian rugby star Gus Pichot looming as the major winner in the shake-up.

The reset has been triggered by the departure of the recently appointed boss of the company's UK technology arm and the resignation of **Fortescue**'s president of European operations - the second to resign from the post this year.

Fortescue Energy chief executive Mark Hutchinson has been handed -direct responsibility for running UK-based Williams Advanced Engineering, renamed **Fortescue** Zero this month.

Former Argentina rugby international Pichot, a close confidant of Dr Forrest, will take charge of running the rest of **Fortescue**'s global energy projects in addition to its Latin American operations.

Mr Pichot has been appointed **Fortescue**'s "regional director - energy", meaning the other regional directors will report -directly to him, rather than to Mr Hutchinson.

A spokesman for **Fortescue** said there had been no change to his position, adding the former GE executive remained the chief executive of **Fortescue** Energy and that Mr Pichot remained his subordinate.

"**Fortescue** Energy CEO Mark Hutchinson recently took on the additional role of leading **Fortescue** Zero, the green technology arm of **Fortescue**. **Fortescue** Zero brings together all the green technologies to accelerate commercial decarbonisation rapidly, profitably and globally. This includes haul trucks, batteries, electrolyzers, power conversion, intelligence software, trains, green shipping and green iron," he said.

"While Western Australia remains **Fortescue**'s home, Perth is not the centre of gravity for our energy business. **Fortescue** Energy's executive team reflects the global nature of the company." In addition to the fresh upheaval within **Fortescue**'s energy division, the company is still to announce the appointment of a permanent chief financial officer, 10 months after the sudden departure of Christine Morris from the role. Ms Morris quit after only two months in the job, following the exit of metals boss Fiona Hick, who herself lasted only a few months at the company.

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The latest restructure within **Fortescue's** energy division was partly triggered by the recent departure from **Fortescue** Zero of Judith Judson, appointed only 10 months ago. Ms Judson remains a **Fortescue** employee but is understood to have elected to return to live and work in the US for family reasons.

Fortescue Europe president Bruh Terfie has also just handed in his notice. Mr Terfie previously ran the company's African section and was made the acting president for Europe in February, when Carlos Lange quit the job after only 10 months.

Mr Hutchinson will now replace Ms Judson as the interim CEO of **Fortescue** Zero, the former technology company founded to back the Williams Formula One racing car team.

Mr Hutchinson joined **Fortescue** only two years ago, tasked with turning the results of Dr Forrest's grand green energy ambitions into reality.

But from the hundreds of billions of dollars in green energy projects earmarked by the iron ore billionaire's whirlwind global tour in 2020 and 2021, **Fortescue's** energy division has only managed to advance three relatively minor projects to the point of a final investment decision.

The restructure positions Mr Pichot as the clear heir to the top job within **Fortescue's** Energy division should Mr Hutchinson, who has just turned 64, part ways with the iron ore and energy giant.

The executive reshuffle may only be the tip of more sweeping changes at **Fortescue** Energy, sources say, with staff on edge over talk the company is drafting plans to "reset" its ambitions as major planned projects fall by the wayside and **Fortescue** factors in a lower iron ore price outlook.

Fortescue recently lost out to a Nigerian company in the race to be nominated to lead the development of the giant Grand Inga hydro power project in the Democratic Republic of Congo.

And sources say the company is also cooling on other planned African projects, including a geothermal and green hydrogen play in Kenya once slated as a key project for the company that failed to make the cut in the round of final investment decisions in late 2023.

The shift comes amid a wave of other senior executive departures. Long-serving executive Julie Shuttleworth, Mr Hutchinson's predecessor as **Fortescue** Energy CEO, called time on her 11 years with **Fortescue** this week.

Ms Shuttleworth's most recent role was leading the development of the company's Belinga iron ore project in Gabon. **Fortescue's** president of African operations, Ed Kalajzic, will now take charge in Gabon.

The past year has also seen the loss of **Fortescue's** global director of people, Matt Brady, along with Allard Nooy, president of Asian operations, global government relations boss Todd Clewett, and Michael Gunner, the ex-Northern Territory chief minister.

Dr Forrest last year said executives who had left the iron ore major had struggled to cope with the -"boiler room" conditions of the company and were not following his green vision.

However, Dr Forrest said in February that a degree of turnover was expected as the company transitioned from a pure iron ore producer to a green energy company with lofty global renewable hydrogen ambitions.

Hopes for both hydrogen and critical minerals in particular remain high given recent stimulus from the Albanese government.

Major miners and investors, including Dr Forrest, in May toasted a \$15bn cash splash for hydrogen production and critical minerals processing, a major push the Albanese government hopes will unlock \$50bn in private spending to further turbocharge the sector.

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Dr Forrest personally welcomed the federal government's commitment to green hydrogen in the budget, predicting it could drive a "massive employment boom" in the sector.

He said in May the \$2 per kilo tax credit for green hydrogen would help drive a green hydrogen, green ammonia and green iron industry which would "create economic opportunities of historical scale". Mr Forrest has long been a supporter of encouraging the development of a green hydrogen sector in Australia, urging the federal government to take action to follow the green energy incentives in the Biden Administration's Inflation Reduction Act.

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