



Forrest blames green move for executive exodus

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Body

Fortescue executive chairman Andrew Forrest has blamed an exodus of senior bosses on the transition from a "fossil fuel-burning company to a green energy company", but insists a -period of high turnover is starting to settle down.

Dr Forrest said former Northern Territory chief minister -Michael Gunner and ex-Reserve Bank deputy governor Guy Debelle - two recent high-profile departures - remained "great friends of ours", and pushed back against the idea that the company had suffered from higher than normal executive departures.

"I don't believe we have a conga line, as you dramatically point out," Dr Forrest told the National Press Club in Canberra on Monday in response to a -question.

"We employ 22,000 people. When you go from a fossil fuel-burning company to a green energy company, you're going to lose people who say, 'what are you doing? You've got this fantastic economic model. You have the most successful company shareholder returns in decades in our company. Why are you fiddling around with it?' " Mr Gunner quit the company earlier this month, after only 15 months with **Fortescue's** Energy arm. On social media, he blamed the amount of travel away from his base in Darwin following a promotion last year.

A revolving door of executives have jumped ship from the company in the past 12 months as pressure grows on **Fortescue** to execute a high-stakes pivot to green energy from its iron ore foundations that made its founder one of Australia's richest men.

In August last year, **Fortescue's** chief executive, Fiona Hick, and chief financial officer Christine Morris both quit, while Dr Debelle resigned as a director of **Fortescue** Future Industries.

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 on Monday 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.

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"The reason is we want to continue that track record. We're not happy just sitting on our laurels with what we've achieved already. Lots of people think that's not for them, and I think that's completely fine," Dr Forrest said.

"But when you look at, say, Fortescue to, say, the mining industry per se, we're running at about half the turnover of the mining industry at Fortescue." Dr Forrest said Fortescue's board of directors were long term, but senior management was "changing â€" all the time". He said: "Change is necessary if you're going to improve. You cannot improve without change.

"I think we're settling it down now. I think that Dino (Otranto), Shelley (Robertson) and (Mark) Hutch (Hutchinson) are a really great team. They're working super well together.

"They're driving our green energy transformation as well as keeping up record production and profits. I'm really comfortable with them." The president of Fortescue Energy's European arm, Carlos Lange, quit the company this month after only 10 months.

Its long-term company secretary, Cameron Wilson, is also set to take a step back from Fortescue, initially shifting to a part-time role as he hands over duties at the company. Mr Wilson's decision comes only a few months after the departure of co-company secretary and Fortescue general counsel Gemma Tually, who stepped down from the role in November last year.

This year Fortescue Energy also lost the services of chief -financial officer Deborah Caudle, less than five months after she was appointed to the role, with former prime minister Malcolm Turnbull also formally severing ties with the company, and external affairs boss Fiona Sugden leaving to join the office of Prime Minister Anthony Albanese. Fortescue has promised to end its use of fossil fuels by the end of the decade and become a "real zero" emitter of carbon.

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