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## Mr Albanese rings in the changes at Rio

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The Age reported that Mr Tom Albanese CEO of Rio Tinto has been given board freedom to make sweeping changes to what he called his senior operations management team indicating that his tenure is not as precarious as many in the market thought.

There has been speculation that Mr Albanese's tenure was limited because of investor frustration with the ill timed 2007 acquisition of aluminum group Alcan, Mr Albanese's lead role in refusing in 2008 to engage with BHP Billiton on a merger and more recently, his 'chop and change approach to Rio's refinancing needs.

But Mr Albanese was able to talk about changes he had made to the management team and Rio's organizational structure, all with a view to developing the 'next generation of Rio Tinto leaders'.

Mr Albanese's ability to direct management changes follows the improvement in his rating that came with the Mongolian Government's recent clearance for the USD 4 billion Oyu Tolgoi copper gold project to proceed after years of delays. Mr Albanese took Rio into the project.

Rising aluminum prices have also eased the pain of the Alcan acquisition although analysts believe prices will have to hit USD 1 per pound before Mr Albanese will truly be able to breathe easy about his tenure.

In announcing the management changes, Mr Albanese reaffirmed the importance of Rio's Australian operations to the London based group. He said that "We are in a long-term business, and management development is an important priority. 2 of our 5 product group heads will now be based in Australia reflecting the importance of our base there, with 2 in London and one in Montreal."

The changes involve expanding the executive committee with 3 new appointments. They are Mr Doug Ritchie, who becomes CEO of Rio Tinto Energy, Mr Andrew Harding, who becomes CEO of Rio Tinto Copper and Mr Harry Kenyon Slaney, who becomes CEO of Rio Tinto Diamonds and Minerals.

Mr Bret Clayton moves to the new role of group executive, business support and operations, from the copper and diamonds product group. Mr Preston Chiaro becomes group executive, technology and innovation, based in Salt Lake City, having been chief executive of the energy and minerals product group. He replaces Mr Grant Thorne, who will become a special adviser to Rio Tinto before retiring.

(Sourced from the Age)

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