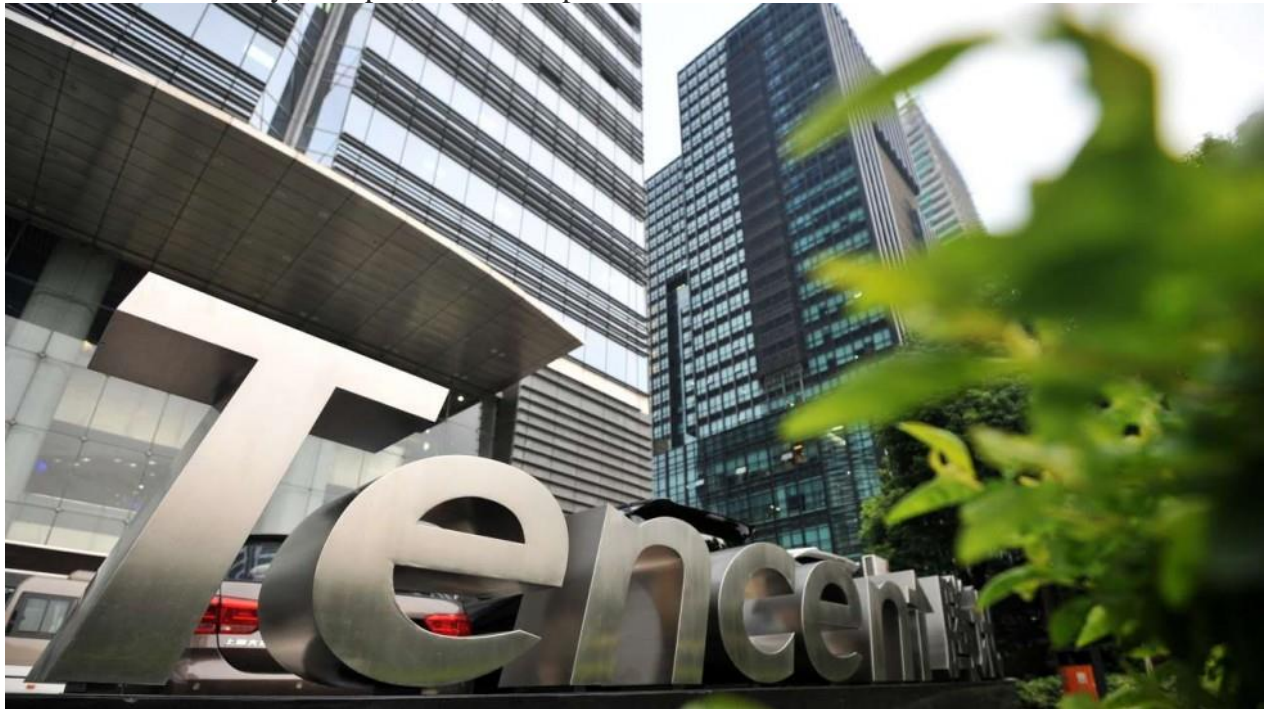


Tencent's 2016 tech executive pay surpasses Apple, IBM

The operator of China's biggest social messaging platform paid its top executive almost US\$40 million in 2016, topping the highest executive salaries at Apple, Amazon or IBM.

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The stock price of Tencent Holdings have touched new heights, catapulting the operator of China's biggest social messaging platforms into the largest Asian company by market capitalisation.

In the process, it is making company founder Pony Ma Huateng (馬化騰) very wealthy, as are members of his senior management.

Tencent paid an unidentified individual HK\$311 million (US\$40 million) in pay and bonus last year, a 13 per cent increase from the Hong Kong-listed company's highest 2015 emolument of HK\$274 million, [according to company](#) filings.

That far exceeded the HK\$201 million that CK Hutchison Holdings paid last year to its co-managing director Canning Fok Kin-ning; Hong Kong's "King of Employees" had been dethroned. The remuneration even exceeded those of Silicon Valley and other US technology companies, including Amazon, IBM, Apple, Twitter and Intel.

Top earners

Senior executives at major technology companies with the highest pay in 2016

| Company | Executive | Position | Compensation (US\$m) |
|------------------|-----------------------|--|--|
| Tencent Holdings | Unknown | Unknown | 39.9 |
| Apple | Angela Ahrendts | Senior vice-president, retail | 22.9 |
| Amazon | Andrew Jassy | Chief executive, Amazon Web Services | 35.6 |
| Twitter | Anthony Noto | Chief financial officer and chief operating officer | 23.8 |
| IBM | V.M. Rometty | Chairman and chief executive | 32.7 |
| Intel Corp | Venkata Renduchintala | President, client and IoT businesses and system architecture group | 20.4 (including sign-on bonus) |

(Alphabet and Facebook have yet to disclose 2016 compensation; Baidu and Alibaba Group Holding are not required to disclose individual compensation as foreign companies)

Source: Company data

SCMP

The pay at Tencent underscores how technology has upended the pecking order of the business world, where such traditional industries as banks, oil refiners and property developers have been pushed from the top of the most-valuable lists, replaced by Internet companies.

Baidu and Alibaba Group Holding, two of the largest US-listed Chinese internet companies, are not required to divulge their executive remunerations. Alibaba is owner of the *South China Morning Post*.

It also reflects the supply of talent in the technology world, where software engineers, designers and product managers with large companies on their resumes command a premium. In the first quarter this year, internet and e-commerce companies displaced banking and finance as the [most sought-after employers](#) among Chinese white-collar job seekers, according to Zhaopin.com, a New York-listed Chinese job portal.

“A lot of these guys can very easily go out and start their own companies at billions of dollars of valuation, because they are so well respected” by the private equity world, said Shaun Rein, the managing director at China Market Research.

“The reality is they are performing that well,” Rein said. “If they want to retain the top talent, the compensation makes sense.”

Tencent operates Weixin -- and its offshore version WeChat -- the Chinese social messaging platform that allows 889 million users to do everything from video-messaging to exchanging documents, and even hail rides, navigate and pay their utility bills.

The company’s net profit last year jumped 43 per cent to 41.1 billion yuan, bolstered by sales growth in online games and advertising. Its shares rose to a record HK\$231 last week, boosting its market value to US\$281 billion, making it Asia’s biggest company.



Tencent’s president Martin Lau (L) and chairman Ma Huateng (R) during a March 22 press conference in Hong Kong. Photo: Bloomberg

Tencent did not disclose the identity of its highest-paid employee. He, or she, was not the only staff to be paid such high salaries: three other colleagues -- all unidentified -- were paid between HK\$231 million and HK\$263 million, inclusive of salaries, bonuses, pension plan contributions, stock-based compensation as well as other allowances and benefits.

Ma, who is also Shenzhen-based Tencent’s chairman and chief executive, was paid 39 million yuan (US\$5.7 million) last year, according to company filings. His 8.7 per cent direct Tencent stake was valued at US\$24.6 billion at current market prices.

Tencent president Martin Lau Chi-ping (劉熾平), 43, received a 63 per cent raise last year, increasing his total annual emolument to 122 million yuan, from 75 million yuan a year earlier.

Founded in 1998, Tencent has been known to be generous. When it marked its 18th birthday last November, the company [gave 300 shares to every employee](#), valued at a combined HK\$1.7 billion.

Several awards worth 100 million yuan each were handed out to the development teams behind its best-performing products, including the mobile game *Honour of Kings*, and its WeChat Pay service, according to a report by Thepaper.cn.

WeChat development team members each received an Apple iPhone7 Plus smartphone, with the employee's name engraved on it, according to the report.

Tencent's highest-paid employee of 2015 was responsible for government affairs and networking, a source told the *Post* last year.

Citing industry insiders, the *Beijing Youth Daily* reported in April 2016 that Tencent chief operating officer Mark Ren Yuxin (任宇昕), vice-president Zhang Xiaolong (張小龍) and chief information officer Daniel Xu Chenye (許晨曄) were most likely to have been the company's top earners. Tencent's communications department declined to comment.

Ren oversees the company's gaming segment, which made up nearly half of Tencent's revenue last year, while Zhang -- known as the "father of Weixin" -- has been credited with every aspect of the social messaging platform's success. Xu, a co-founder of Tencent and a former government employee, manages customer and public relations.

Tencent employed a total of 38,775 people as of the end of last year, up 27 per cent from the 30,641 employed in 2015. The increase was in line with a 27 per cent rise in remuneration cost from 18.5 billion yuan to last year's 23.4 billion yuan.

<http://www.scmp.com/tech/article/2088011/tencent-2016-tech-executive-pay-surpasses-apple-ibm>