

# Chief Financial Officer Moves Australia & Asia/Pacific

Q3 2011



*Chief Financial Officer Moves is a quarterly series issued by Russell Reynolds Associates' Financial Officers Practice representing a snapshot of CFO trends and moves.*

## Welcome!

There seems no end to compensation inflation in the hottest parts of the Asian executive market. Whether it is mining executives in Australia or HR leaders in China, a combination of factors including market growth, economic inflation and acute shortages of experienced executives are still driving compensation ever upwards. India and China will both experience compensation inflation above 12% this year, and we can expect other parts of Asia to suffer similar, if less severe, rises. In China at least, there is a growing cadre of younger executives in their early 30s who should be the leaders of tomorrow, but in the meantime, the delta between local and expat packages is being increasingly eroded which raises the question of how MNCs fulfil their localisation agenda whilst ensuring they have the best leaders.

In many instances, pay has risen at a disproportionate rate to performance and indeed to the substance and content that the executive brings; over time this will lead to a re-evaluation of the market worth of skills and experiences. More immediately, there is an increase in the numbers of the localised expat, that is, expats whose packages are normalising in line with local packages. The desire to stay in a buoyant market is a key driver for executives, and there are clear economic and business continuity benefits to the employer. There is also significant and growing interest from overseas executives in moving to Asia even without any expat package, although there is little desire to bring people into the region that have no prior on the ground experience or language skills. These numbers however, are not enough to slow down compensation inflation which will only be managed in any impactful way through the evolution of the executive pool and more sustainable levels of economic growth.

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## Australian CFO Moves:

### Industrial and Energy

- Iron-Ore mining company **Atlantic** have announced Ross Glossop's appointment to CFO. Glossop has 30 years experience in the mining and resources sectors and served as Regional CFO (Australia/Africa) for Barrick Gold Corporation from 1993-2006. He has also held CFO positions with Bellzone Mining, Oceana Gold Corporation and most recently Apex Minerals NL. He replaces interim CFO Ron Chamberlain.
- **Ivanhoe Australia** has announced the appointment of Brendan Gill as CFO. Gill previously had a 27-year career with BHP Billiton where he held several senior executive finance and management positions, including CFO of the Stainless Steel Materials and Nickel divisions.
- **Mt Isa Metals** has appointed Peter Harding-Smith CFO and Company Secretary, a role that has expanded due to the continuing growth of the Company's activities in Australia and West Africa. Harding-Smith joins Mt Isa Metals with past senior financial management and company secretarial positions with DPSA Holdings, and ASX-listed Silver Chef and Provet Holdings.

- Australia's biggest gold producer, **Newcrest Mining**, is looking for a new CFO to replace Greg Robinson, who has taken over the company as CEO. Robinson replaces Ian Smith, the Melbourne-based gold miner. Mark Dwyer, Newcrest's General Manager for finance and accounting, will act as CFO in the meantime.
- **Nomad Building Solutions** has announced Andrew Sturcke as CFO. Sturcke also replaces Paul Depiazzi as Company Secretary. For the past two years, Sturcke has been General Manager Finance and Administration for BIS Industrial Logistics and prior to that, Divisional Financial Controller with BIS Industrial Logistics.
- Farm chemicals maker **Nufarm** has appointed Paul Binfield as CFO to replace Kevin Martin. Binfield was previously a Finance Director at a division of Wesfarmers.
- **Southern Cross Goldfields** has announced Stephen Jones as CFO. Jones is an experienced accountant who joins SXG from Aviva Corporation where he previously held the position of CFO. Jones replaces Dan Calvert who has served as CFO and Company Secretary since its establishment prior to its listing on the ASX in 2008.
- Brian Kruger, who has been working as **Toll Holding's** CFO, will become the company's Managing Director in January 2012. Kruger will replace Paul Little, after he announced his retirement.

## Technology

- **National Broadband Network** has started a global search for a new CFO, which comes after the surprise resignation of French executive Jean-Pascal Beaufret.
- **Quick ReadBrocade** names Dan Fairfax CFO after the departure of Richard Deranleau who left the computer networking company to pursue other interests. Fairfax formerly served as CFO of Foundry Networks which Brocade acquired in 2008.
- **Telstra's** veteran CFO John Stanhope has announced his retirement after the conclusion of the \$11 billion NBN deal. He will step down from the board at the end of the year.

## Pharmaceuticals and Healthcare

- **Benitec**, a world leader in gene silencing for human therapeutics, has announced CFO and Company Secretary John Rawling has left the company due to its relocation to Sydney. Greg West will take over as CFO.

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## Asia-Pacific Region CFO Moves

### Industrial & Energy

- **A-Power Energy Generation Systems**, (NASDAQ: APWR), a leading provider of distributed power generation systems in China and a manufacturer of wind turbines, announced Michael Zhang, the Company's Vice President for Strategic Planning, Internal Audit, and Internal Control, will serve as interim CFO.
- The Singapore-based precision engineering solutions provider **Armstrong Industrial Corporation** has appointed Sin Wan Lin as the Group CFO.
- Wong Heang Tuck has been promoted to CFO of the Singapore-based energy services provider **KS Energy**. He replaces Wong Soon Yin who has resigned.
- Yoshiyuki Honda has been appointed Executive Officer (Finance) of **Sumida Corporation**. Previously, Honda served as the Japan CFO and Vice President at D&M Holdings.

### Consumer/Retail/Leisure

- The China-based domestic sportswear brand **Exceed Company** has promoted Vivien Tai from Vice-President of finance, to CFO. She replaces Terence Wong who will remain a consultant at the company until November 2011.

- **Wal-Mart** has appointed Danone's Morten Knudsen as CFO for Asia.

## Financial Services

- Shumpei Morita has been appointed CFO of **SBI Holdings**.

## Technology

- **58.com** appointed Alex Hao Zhou CFO. Zhou was previously Senior Financial Executive from General Electric.
- **Actions Semiconductor**, the China-based fabless semiconductor company has promoted Nigel Liu, who was their internal audit director, to CFO. He replaces Patricia Chou who has resigned.

## About Russell Reynolds Associates

**Leadership for a Changing World.** In today's global business environment, success is driven by the talent, vision and leadership capabilities of senior executives.

Russell Reynolds Associates is a leading global executive search and assessment firm with more than 300 consultants based in 39 offices worldwide. Our consultants work closely with public and private organizations to identify, assess and recruit senior executives and board members to drive long-term growth and success. We value teamwork, serving our clients with a collaborative approach that spans our international network of sector and functional experts.

Our in-depth knowledge of major industries and our clients' specific business challenges, combined with our understanding of who and what make an effective leader, ensure that our clients secure the best leadership teams for the ongoing success of their businesses. For more information, please visit us at [www.russellreynolds.com](http://www.russellreynolds.com).