

EY Salary Survey Results

December 12, 2016

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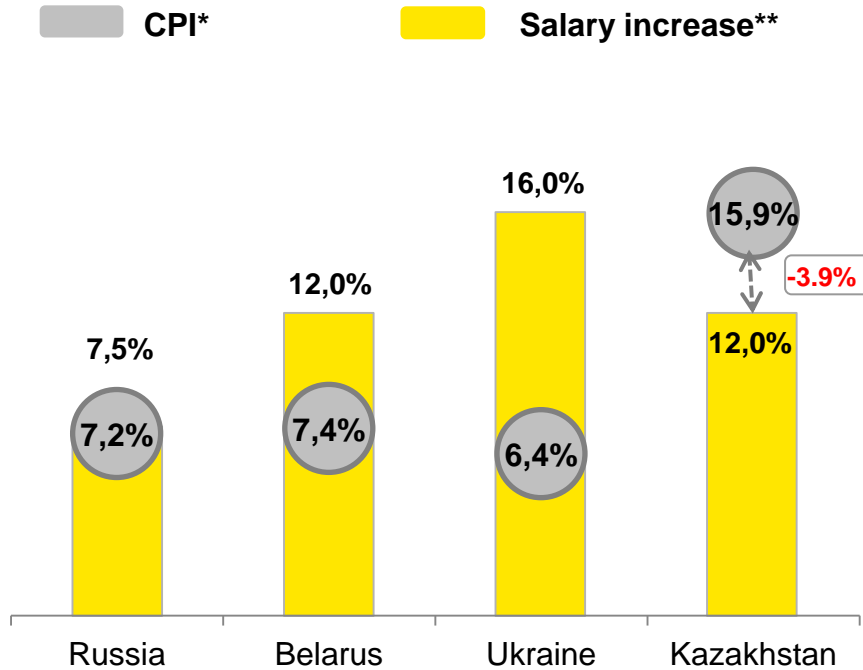
People Advisory Services



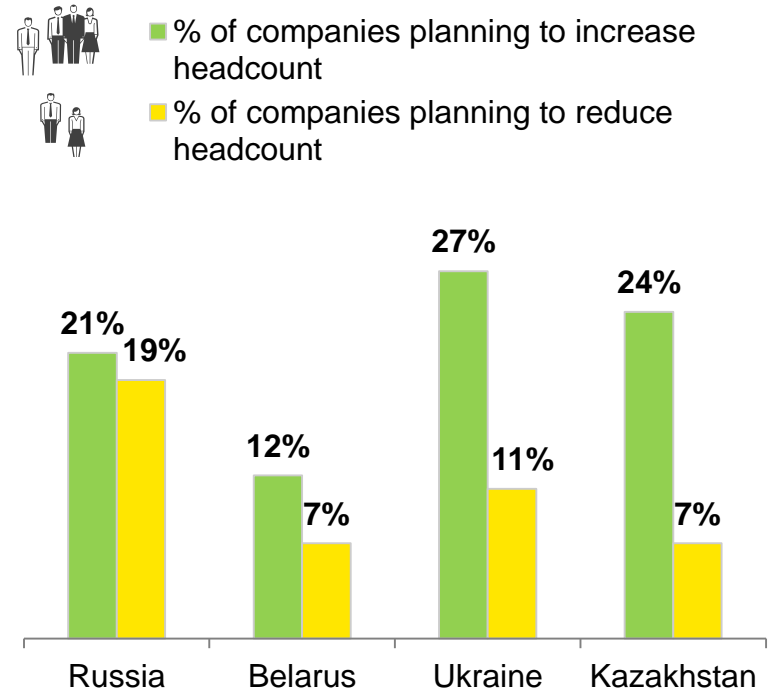
Building a better
working world

CIS Labor Markets

Salary adjustments vs Consumer Price Index (CPI) levels



Planned change in the headcount in 2017***



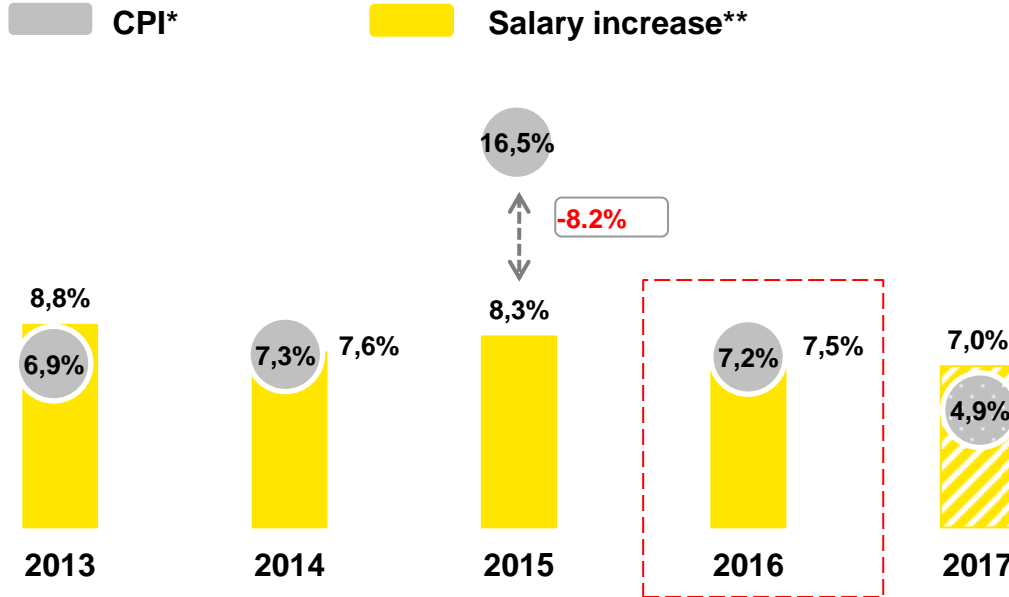
*CPI data is presented for the period covered within EY surveys. Source: official state sources for statistics

**Source: EY Compensation and Benefits Surveys. Analyzed period for Russia: May 2015 - April 2016. For Belarus: January 2016 - June 2016. For Ukraine: January 2016 - September 2016. For Kazakhstan: July 2015 - June 2016.

***Source: EY Compensation and Benefits Surveys

Russia: Salary Survey Results

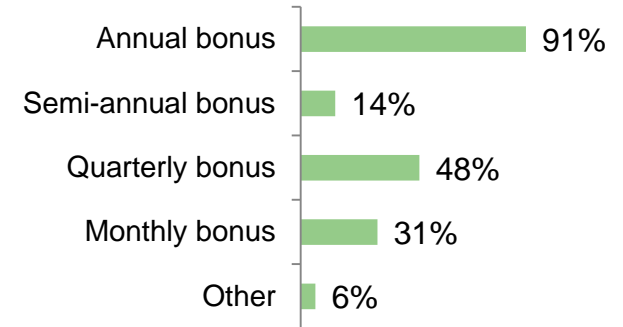
Salary adjustments vs CPI levels



92% of companies paid bonuses for 2015



Periodicity of bonus payments (% of companies)



49 % of companies use common percentage increase for all employees



76% of companies use individual approach



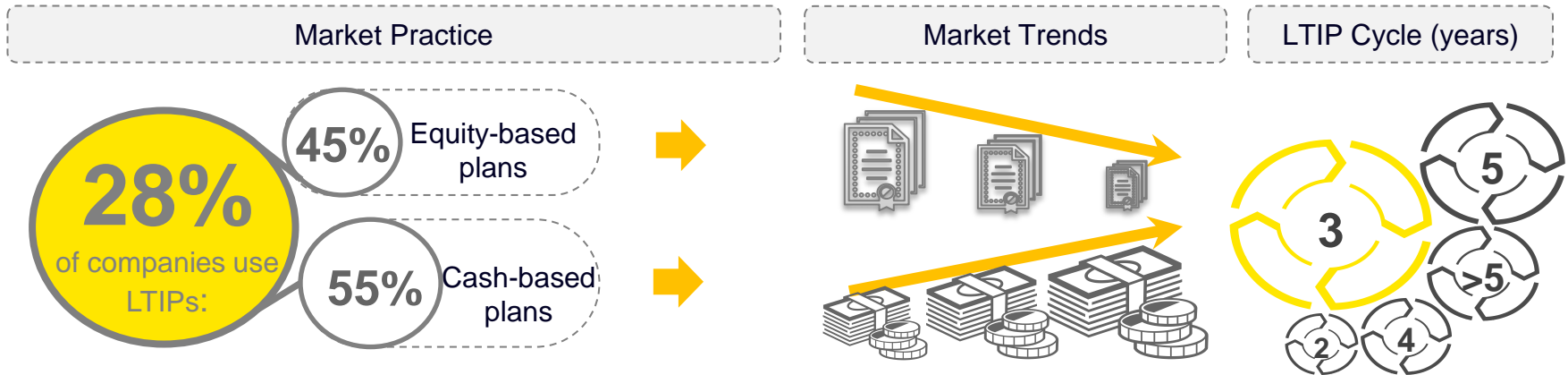
Bonuses 2015 were slightly below the targets

*Source: Rosstat. CPI data is presented for the period covered within EY surveys. 2017 - forecast by the Ministry of Economic Development

**Source: EY General Industry Compensation and Benefits Surveys Analyzed period: May 2015 - April 2016

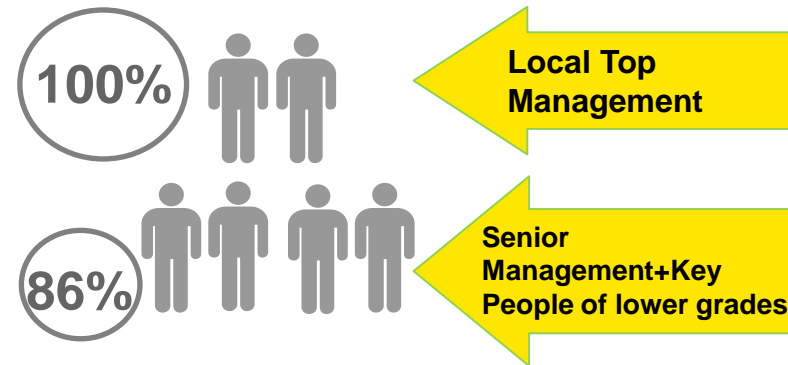
Long-term Incentive Plans (LTIPs)

Stable interest in LTIP made it a standard element of remuneration system in Russia



LTIP's participants*

Multinationals: majority adopts global LTIPs for Russia



Specifics in the Russian market

1. Low level of shareholding culture. Necessity for:
 - ▶ Communication strategy
2. Adjustment of LTIP requires deep investigation in:
 - ▶ Mechanism of share transfer in the context of currency and tax regulation
 - ▶ Legal structure of the Group
 - ▶ Recharge of LTIP related cost

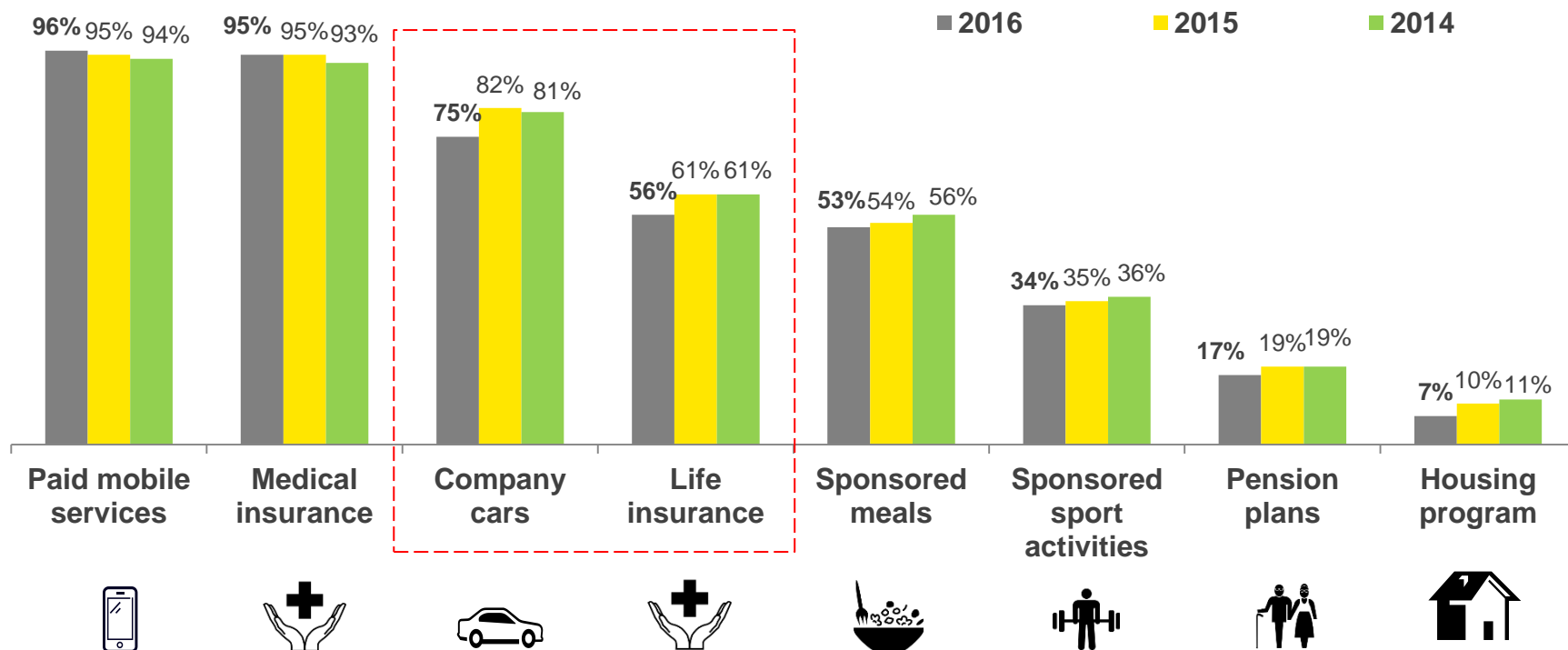
88%
of international and joint-venture companies apply global LTIPs in Russia

* Source: EY Top Management C&B Salary Survey 2016

Benefits

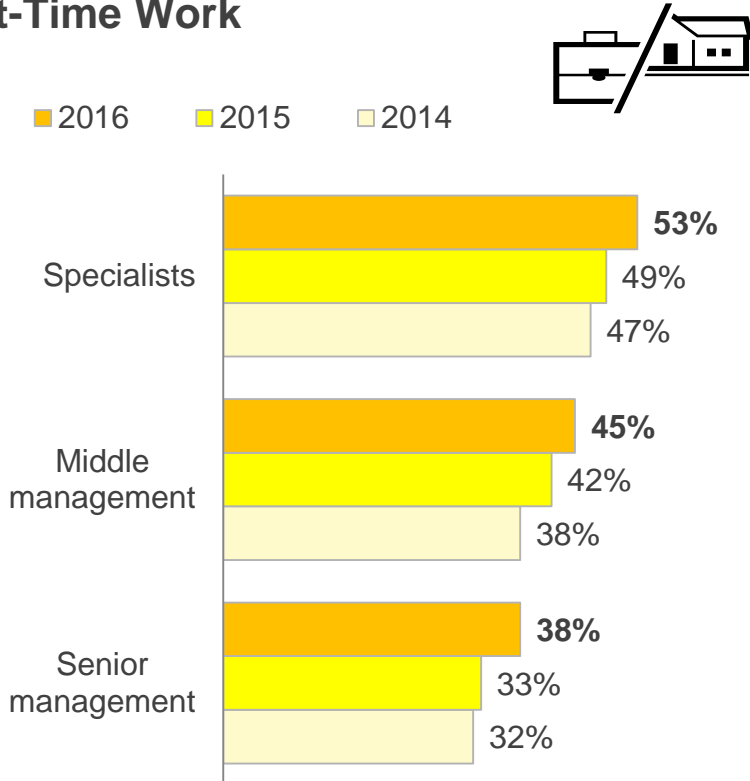
- ▶ Decline in the number of participants providing benefits
- ▶ The greatest decline in provision of company cars and life insurance

Dynamics of benefits, % of companies:

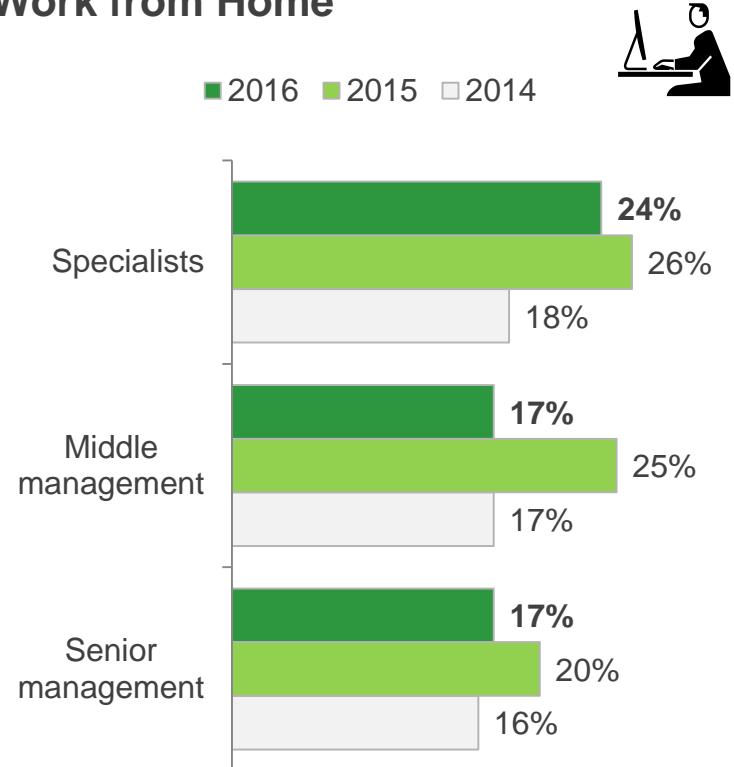


Working Time Arrangements

Part-Time Work



Work from Home



- ▶ Constant growth of part-time work
- ▶ In spite of expected growth, a decline is observed in the number of companies providing opportunity to work from home

Questions

