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2014 PwC Financial Sector Salary Survey Results



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General Overview

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PwC PayWell Financial Sector Survey

***Conducted
annually starting
from 1999***

***Moscow, Saint-
Petersburg and 95
other cities***

***More than 900 unique
jobs representing 11
hierarchical levels***

***94
participants***

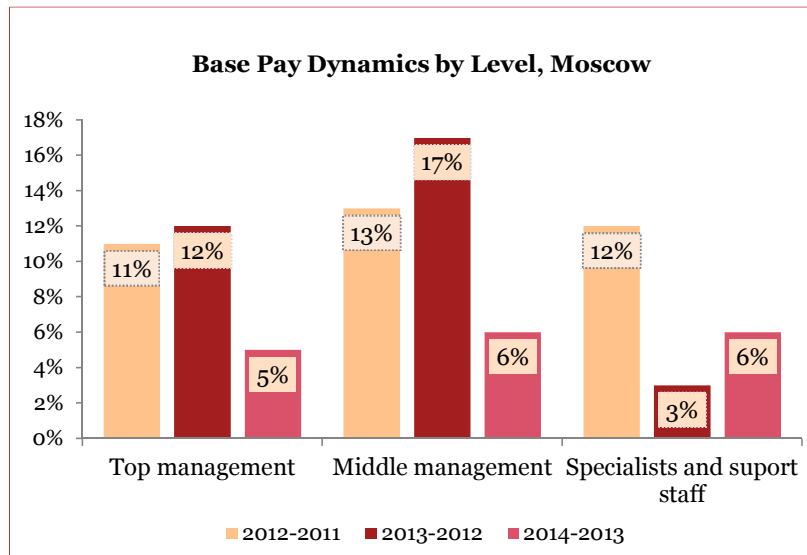


Remuneration Trends: Key Findings

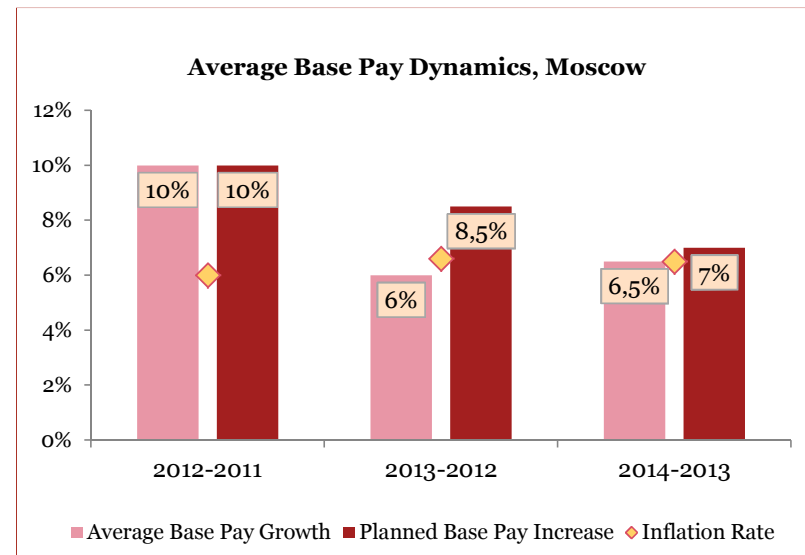
2



Base Pay (1 of 2)



- The comparative analysis of actual compensation data received from 2013 and 2014 surveys demonstrates an average base salary increase of **6,5%**.
- Comparison by hierarchy levels shows the shift of growth rate from management staff to specialists



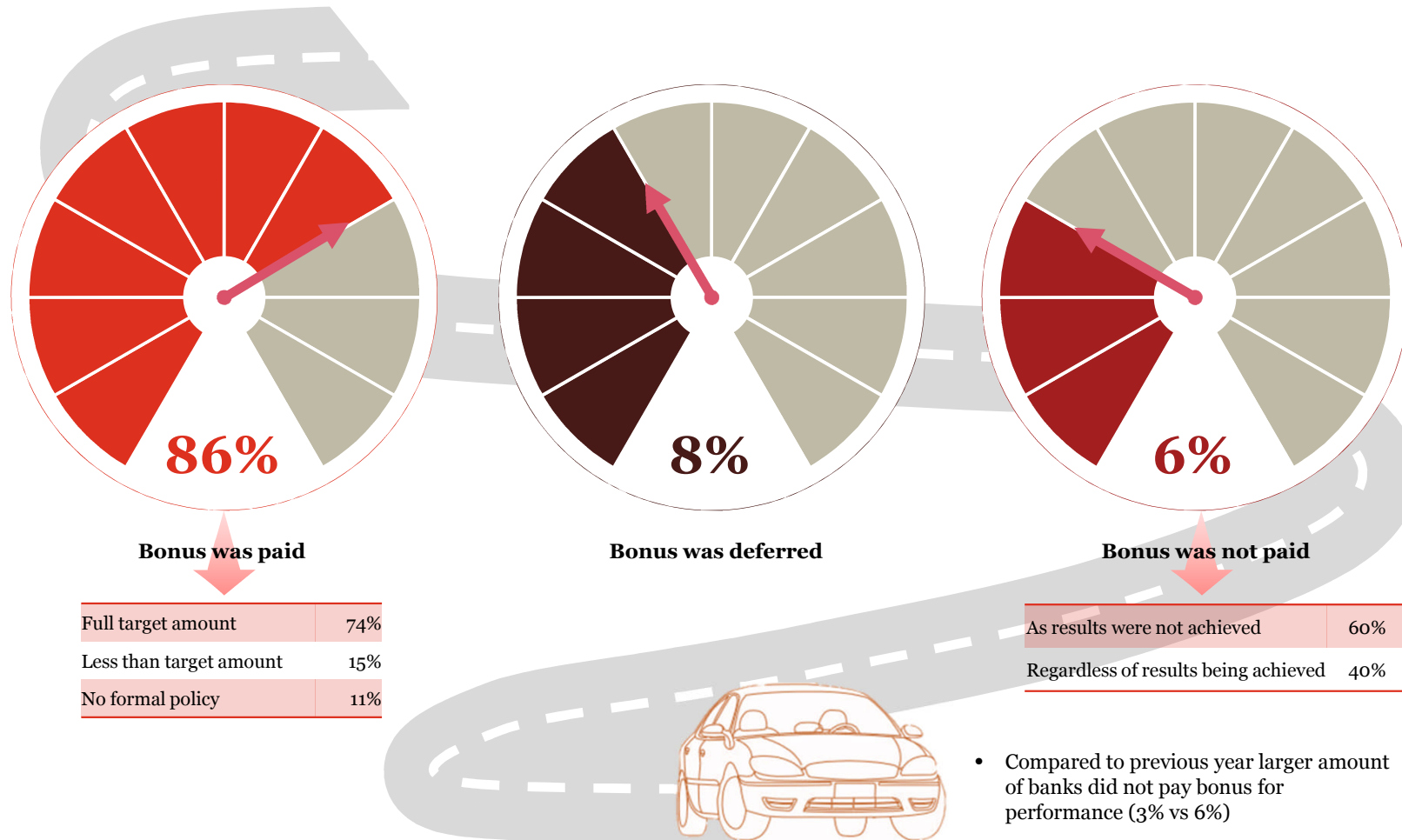
- If in 2011-2012 the planned base salary increase was equal to that performed and higher than official inflation rate, in 2012-2014 the actual growth is lower than planned and hardly compensates the inflation rate.

Base Pay (2 of 2)

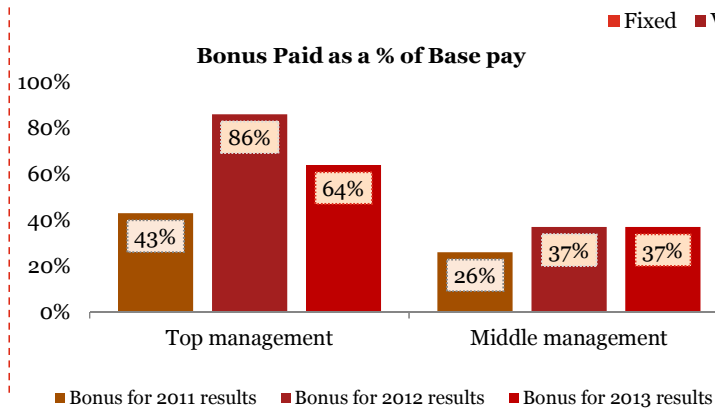
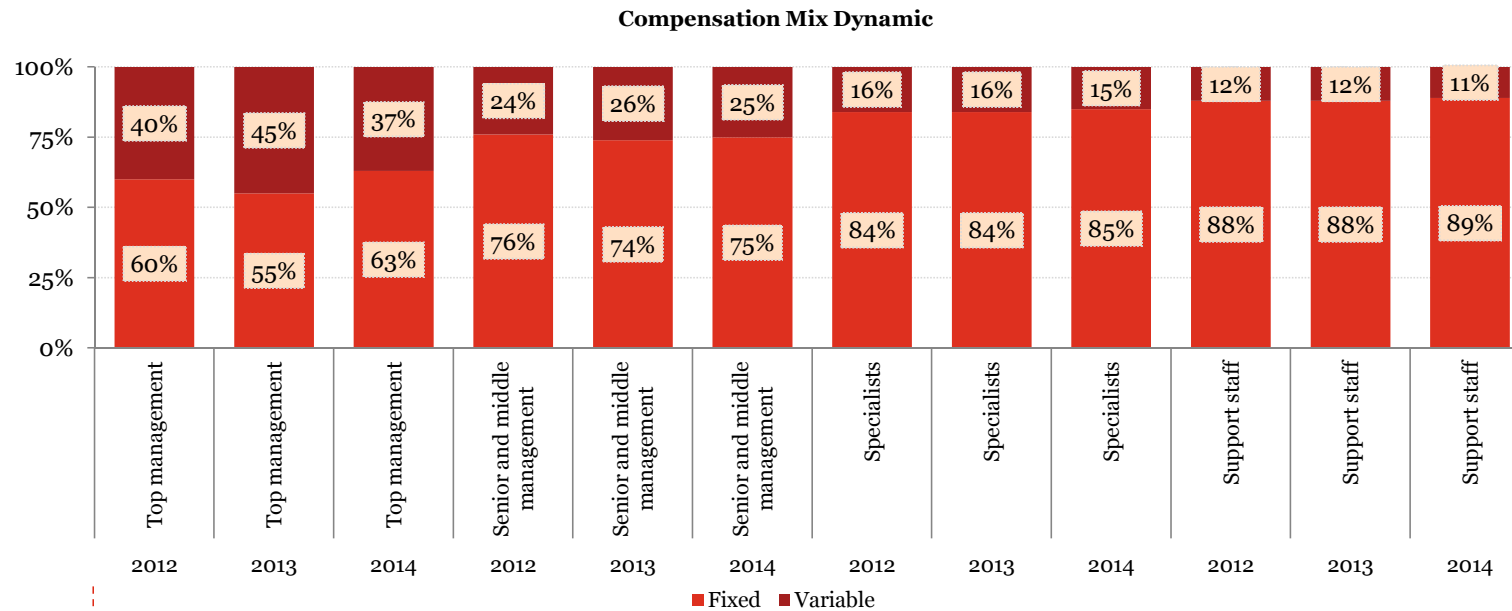
Base Pay Growth by Job Family, Moscow 2014.
Average Growth – 6,5%



Annual Performance Bonus Payments

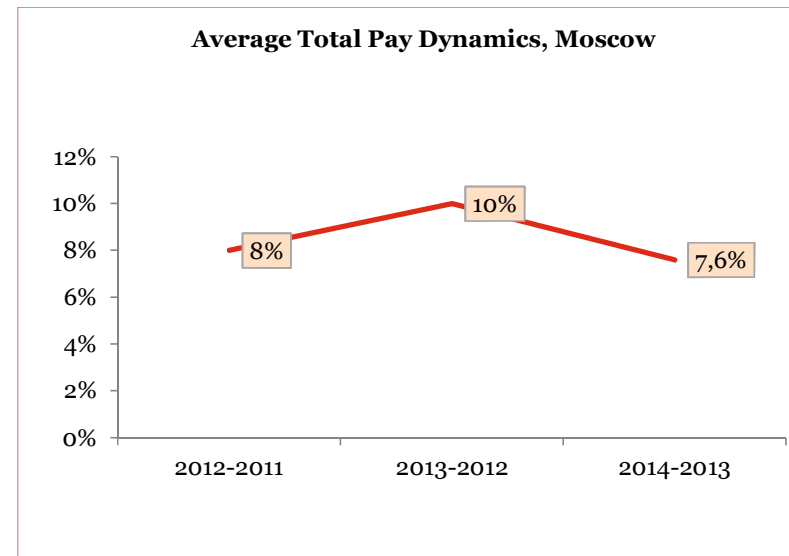


Compensation Mix



- The variable part does not vary greatly from year to year, nevertheless in 2014 the amount of bonus paid to Top managers was lower than in 2013

Total Pay (1 of 2)

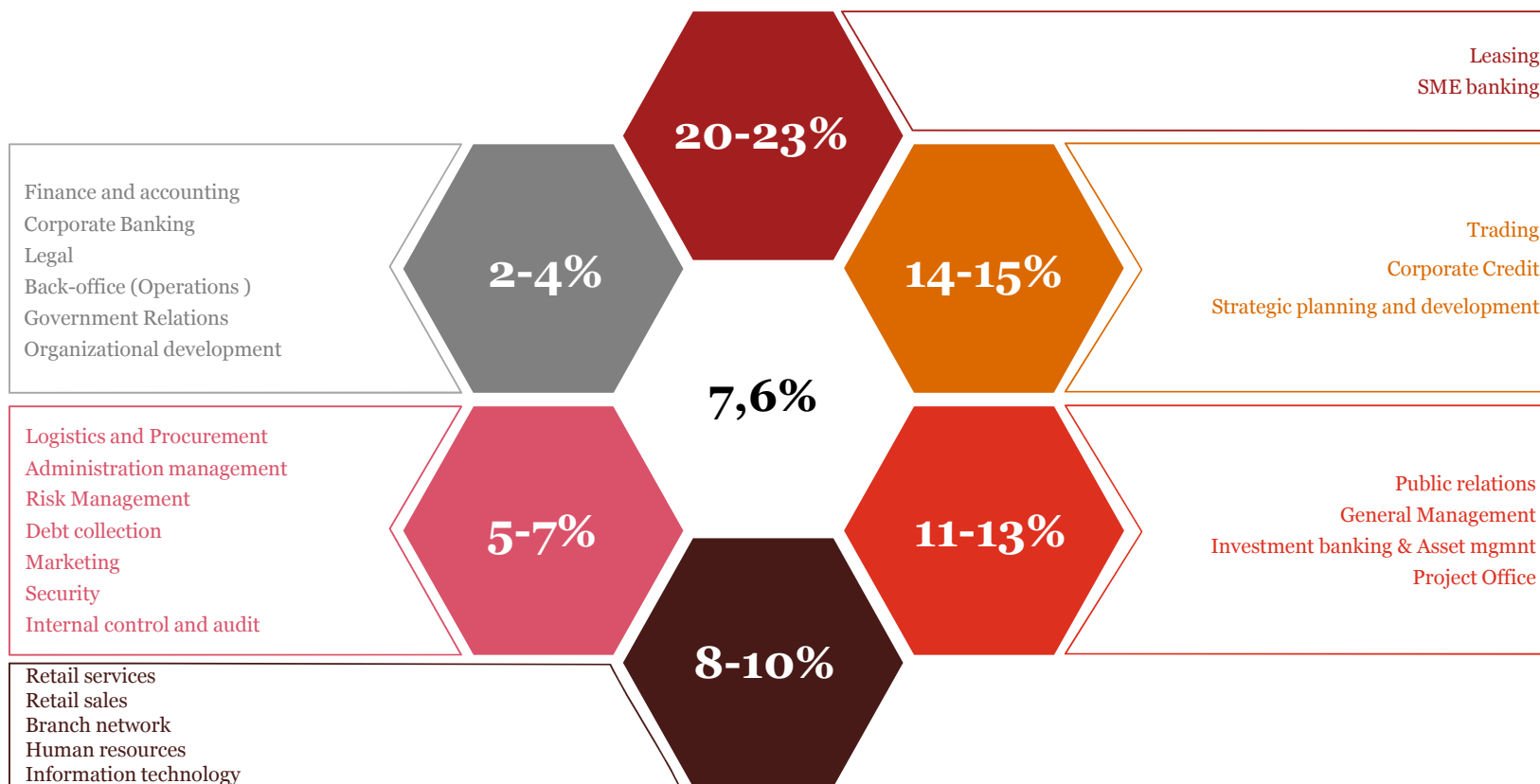


- An average increase in total compensation amounted to **7,6%**, which is **2,4 percentage points lower** than the previous year (10%).
- The most significant negative dynamic was among Top and Middle management positions

- The total pay growth in 2013-2014 was insignificantly higher than the base pay, but not so high as during previous periods

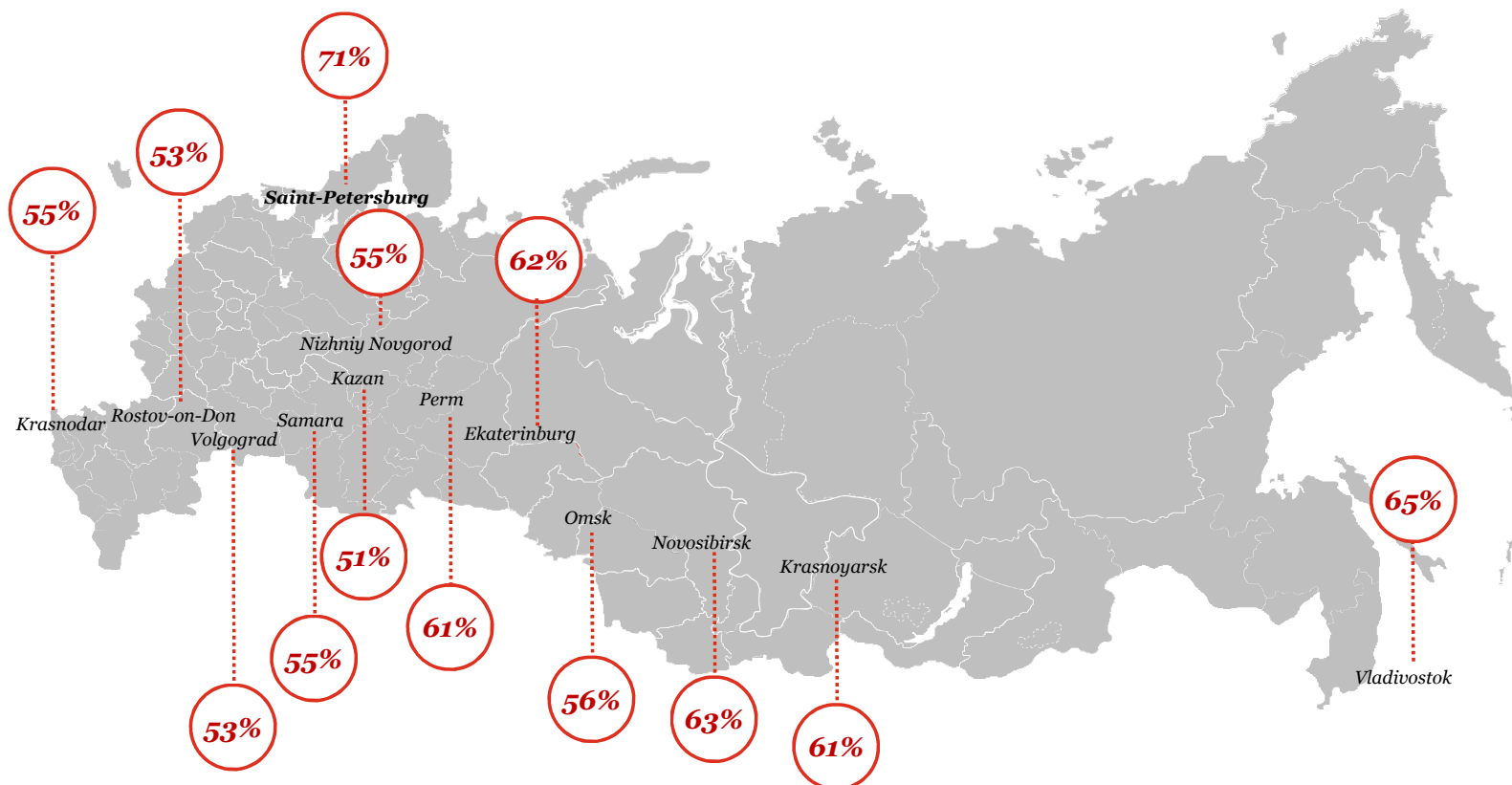
Total Pay (2 of 2)

Total Pay Growth by Job Family, Moscow 2014. Average Growth – 7,6%



Regional Data

Base Pay in Regions Compared to Moscow (Moscow Salary = 100%)



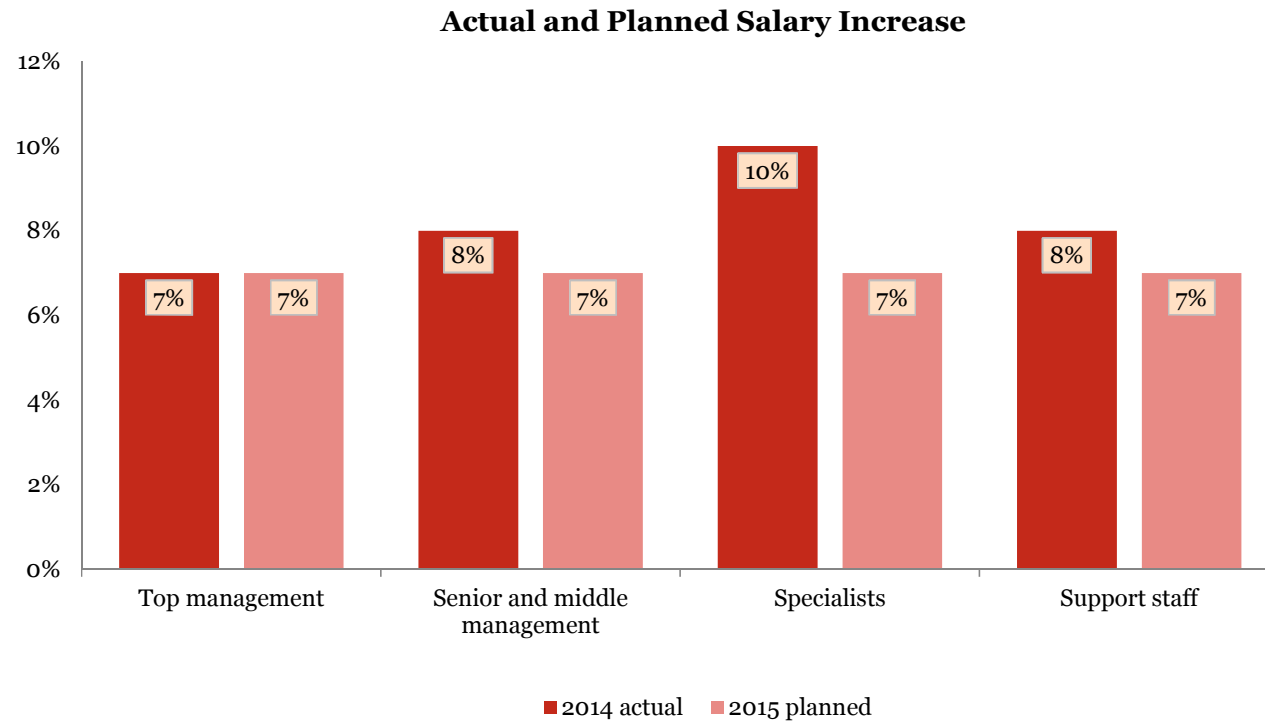
- Base pay level in largest Russian cities compared to Moscow level does not change significantly during the last 3 years.

Remuneration Policies and Additional Benefits

3



Salary Increase Forecast



- Salary review forecast in 2013 was 9%, which is slightly higher than the actual increase performed
- Budgeted salary review for 2015 is 7% for all job categories

Other Tendencies in Additional Benefits and Remuneration Policies in 2014



The number of banks using the grading system has increased from 33% to 37%, as well as the number of companies having grading system under development – from 13% to 19%.



The eligibility to receive bonus payments based on performance has increased from 59% to 82%



The number of banks not paying a bonus for performance has increased from 3% to 5%; 7% of the companies have postponed the payment of a bonus for the results of 2013.



Average monthly salary offered to university graduates with no work experience increased from 25 000 to 30 000 RUR.



Average loan size that employees can get on preferential terms has reduced for all types of loans



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