
Press release

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Best paying businesses are IT firms, followed by shared services centres and pharmaceutical companies

- *PwC's PayWell 2016 study, in which 290 companies from 17 sectors participated, analyses corporate remuneration strategy and trends in employee benefits.*
- *In 2016, the highest increase in wages and salaries was observed in the automotive industry and the IT sector.*
- *Sales and distribution companies, IT firms, and automotive enterprises plan the highest growth in base salaries in 2017.*

Bratislava, 19 October 2016 – PwC's HRS department published the findings of the 24th annual remuneration survey of Slovak companies.

"According to the results of this year's survey, almost 86% of responding firms use information taken from market surveys when reviewing their employees' salaries. In this way, companies are able to compare their own remuneration levels with a sample of firms comparable in business or size," says Peter Lackó, Senior Manager and Leader of HRS department at PwC Slovakia.

The salary level in IT firms is almost 25% higher than the Slovak market average

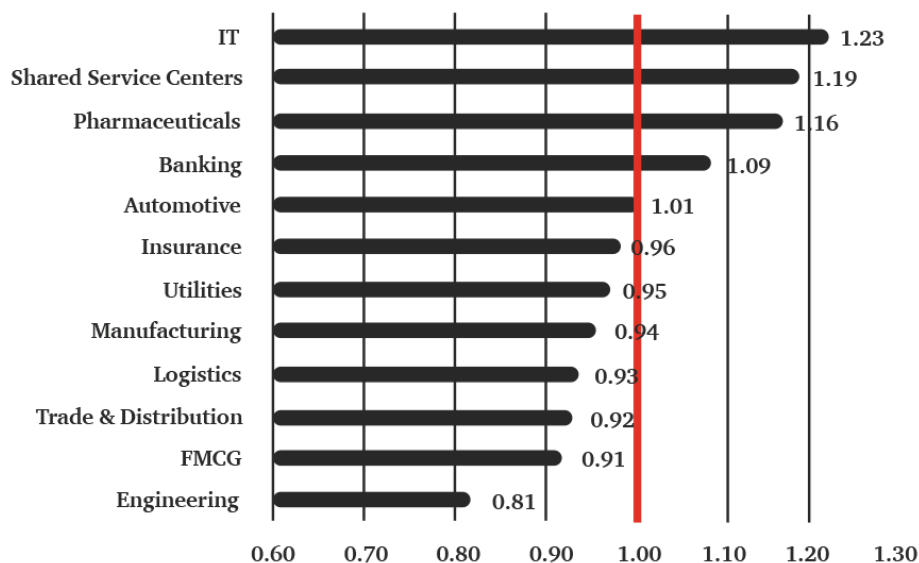
- This year, IT firms again ranked first. The remuneration of their staff is 23% higher than the nationwide market average.
- They are followed by shared services centres and pharmaceutical companies.

"The results of this year's survey show that base salaries in shared services centres are at one of the highest levels and the sector is one of the three best paying sectors in Slovakia," adds Peter Lackó.

* Guaranteed salary = base salary + all guaranteed benefits independent of the individual's or company's performance.

** Methodology or guarantee of an unbiased comparison: indexes are calculated based on a standard package of job positions which includes only those positions that are typically present in all firms regardless of the firm's purpose or the sector in which it operates.

Guaranteed Base Pay Index



Slovak firms plan to increase base salaries by 3.2% in 2017

Companies planned salary increases of 3.7% in 2016. However, according to PayWell, the actual increase was 3.4%.

- In 2016, the highest salary increases were in the automotive and IT sectors.
- The slowest salary growth was in logistics and forwarding.
- In 2017, the highest base salary growth is planned in trade and distribution, IT, and the automotive industry.
- The lowest base salary increase is planned in the banking and energy sectors.

"Based on our experience of recent years, companies are being cautious when planning their future salary increases. They are planning some base salary increases subject to their existing strategy and financial situation. However, the actual increase may be higher or lower depending on the company's results and we noted significant differences between sectors," explains Patricia Šimák, PwC's HRS Manager.

Salary increases (Average)	Base salaries		
	Original plan for 2016	Actual increase in 2016	Plan for 2017
Whole Sample	3.7%	3.4%	3.2%
Banking	1.4%	-	1.7%
Insurance	3.0%	-	3.0%
Financial Services	2.4%	2.7%	2.4%
Information Technologies (IT)	4.7%	4.0%	3.6%
BIG IT	3.9%	-	2.9%
Shared Service Centers	3.1%	3.0%	3.1%
Logistics and Forwarding	3.6%	1.8%	3.5%
Trade and Distribution	3.9%	-	4.1%
Fast-moving Consumer Goods (FMCG)	3.1%	3.2%	2.8%
Utilities	1.6%	2.7%	1.5%
Automotive Industry	4.2%	4.3%	3.6%
Engineering Industry	3.7%	3.6%	3.4%
Manufacturing	3.9%	3.8%	3.4%
Pharmaceutical Industry	3.4%	3.1%	2.8%
Big Pharma	2.9%	2.9%	2.7%

Bratislava still leading in salaries by 15%

- The PayWell survey again confirms that the highest salaries are in Bratislava and western Slovakia.
- The level of guaranteed salaries in western Slovakia is 15.6% lower than in Bratislava. Central Slovakia is just behind western Slovakia (16.9% lower than Bratislava), followed by eastern Slovakia (17.6% lower than Bratislava).

Methodology: The percentages are calculated based on the ratio of individual regions to Bratislava.

Firms have decreased the financial value of benefits by 4.5% compared to the previous year

From May 2015 to April 2016, the cost of employee benefits was an average of €792 per employee per year. Compared to last year, this is a decrease of €37 per employee.

The most frequently offered employee benefits in Slovakia are:

- meal vouchers;
- support of social, cultural, and sporting events for employees;
- extra days off;
- insurance contributions;
- training courses (not directly related to the area required for particular job performance); and
- discounts on the company's products or services.

Notes to editors:

Pay Well 2016

PayWell is a remuneration study and remuneration planning tool providing an up-to-date view of remuneration in Slovakia, including information and trends in HR policy and strategy. The PayWell survey has been undertaken by HRS at PwC for 24 years in Slovakia.

The basis for the evaluation of remuneration data and information relating to remuneration policy, social policy, and employee benefits in 2016 is taken from an extensive diverse data sample from 290 companies in 17 business sectors.

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