

UBS Compensation Survey 2023

Outlook

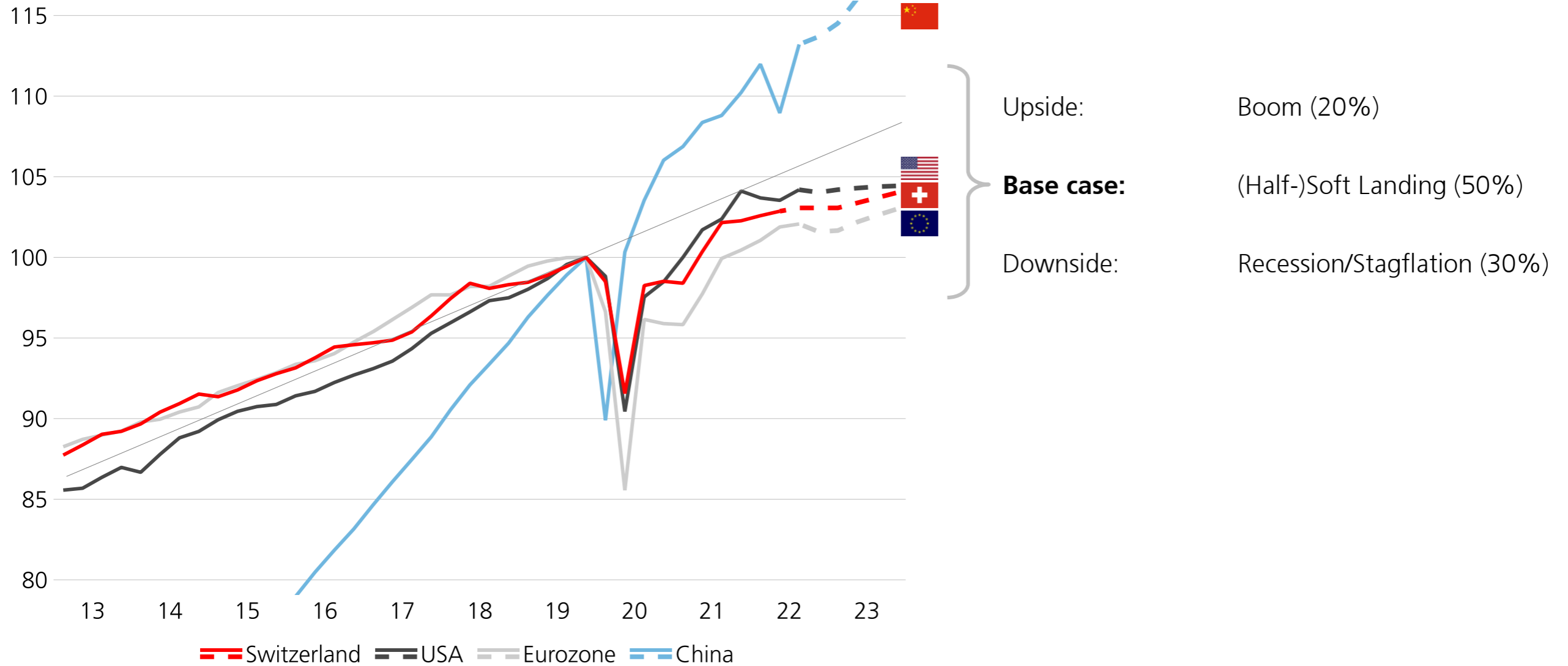
Dr. Daniel Kalt
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November 2022



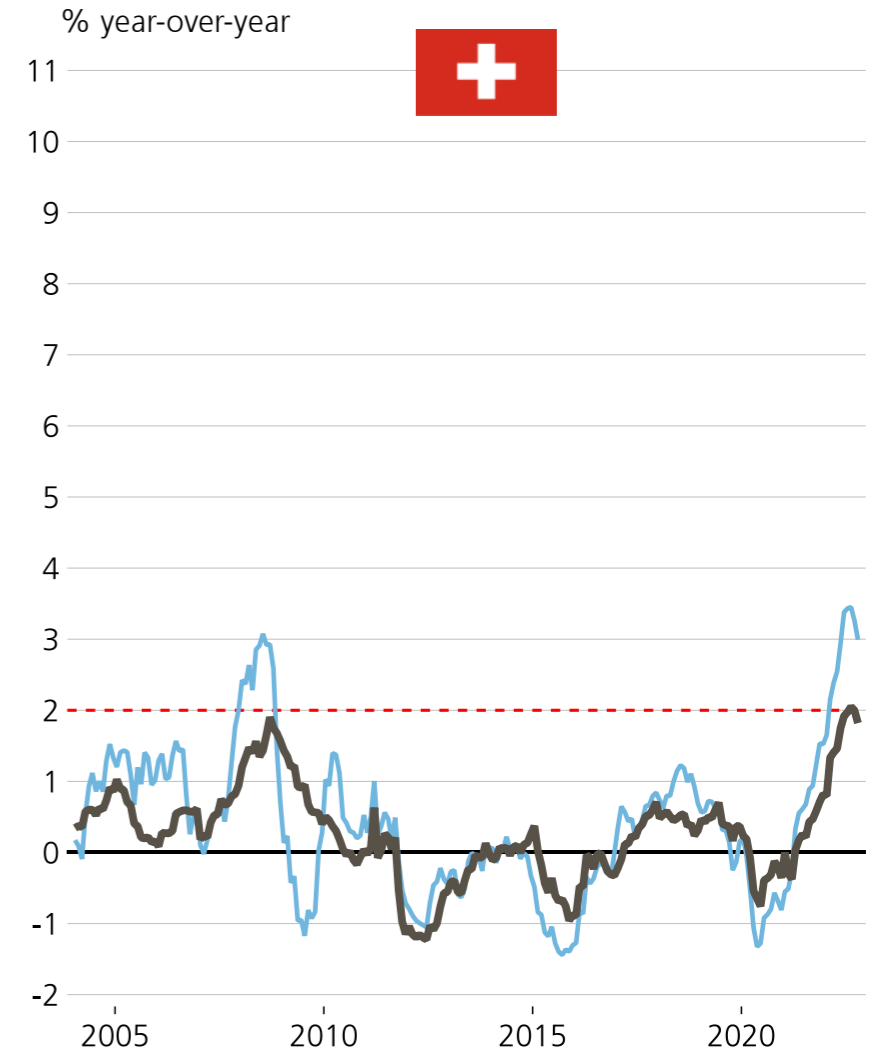
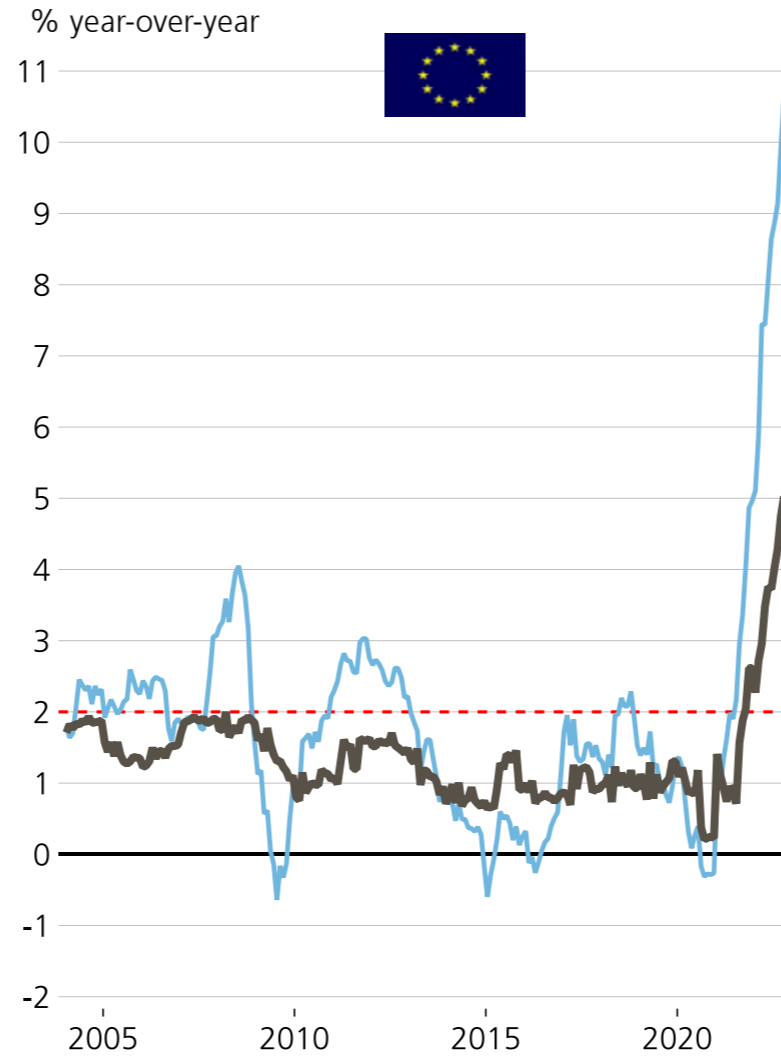
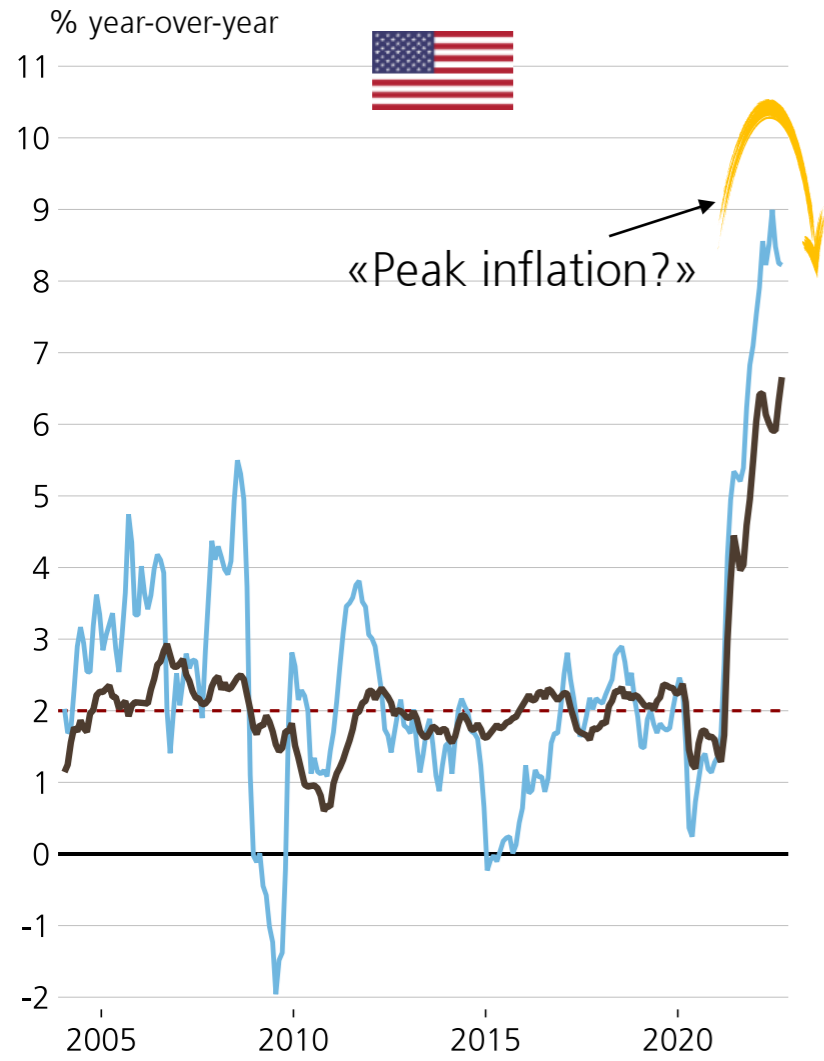
Economic development

Real GDP, quarterly data, SA, indexed 4Q19 = 100



Inflation

Headline and core inflation rates



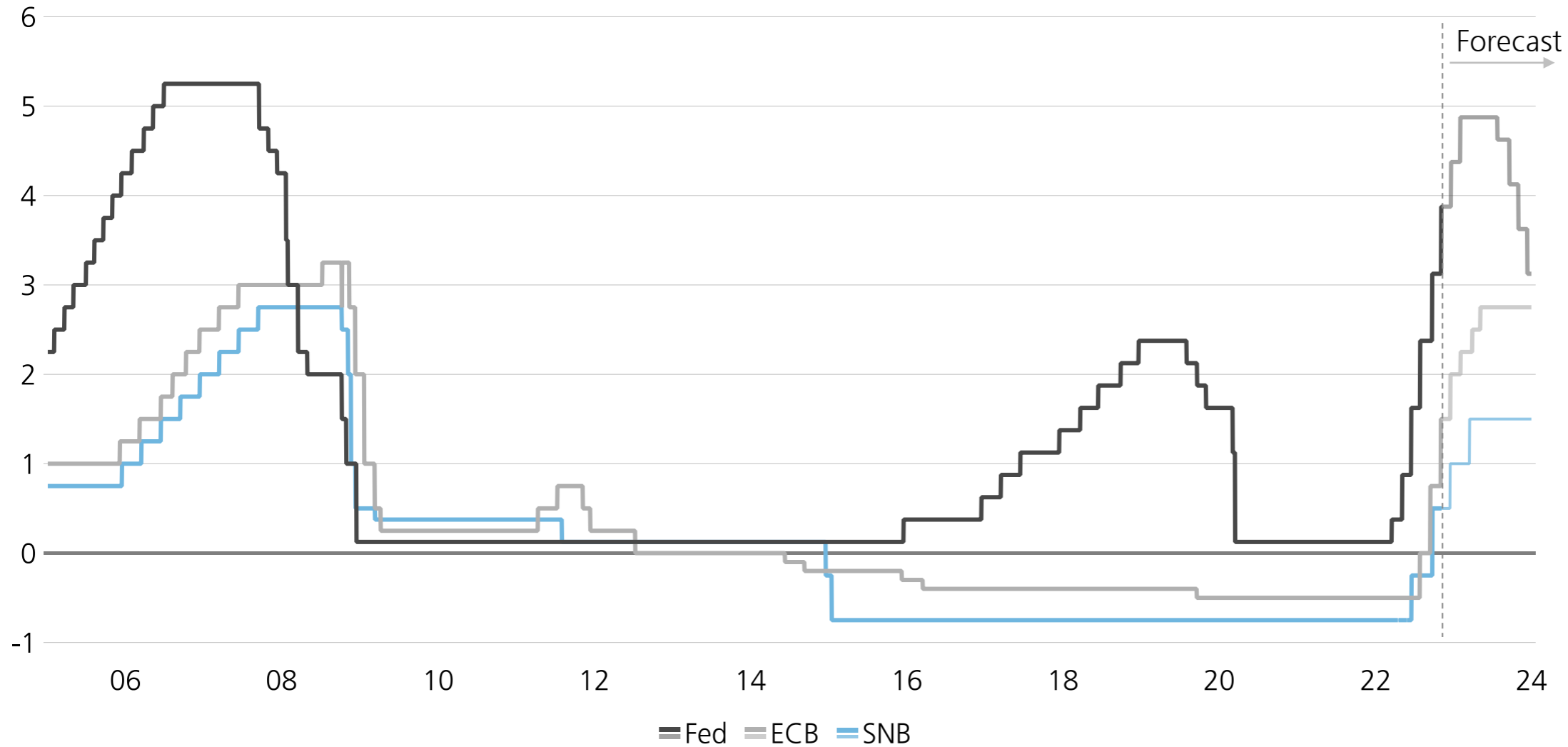
— Core inflation — Headline inflation



Sources: Macrobond, UBS GWM CIO
Please see important disclaimer at the end of the document

Policy rate: Fed enters restrictive territory

Policy rates, in %



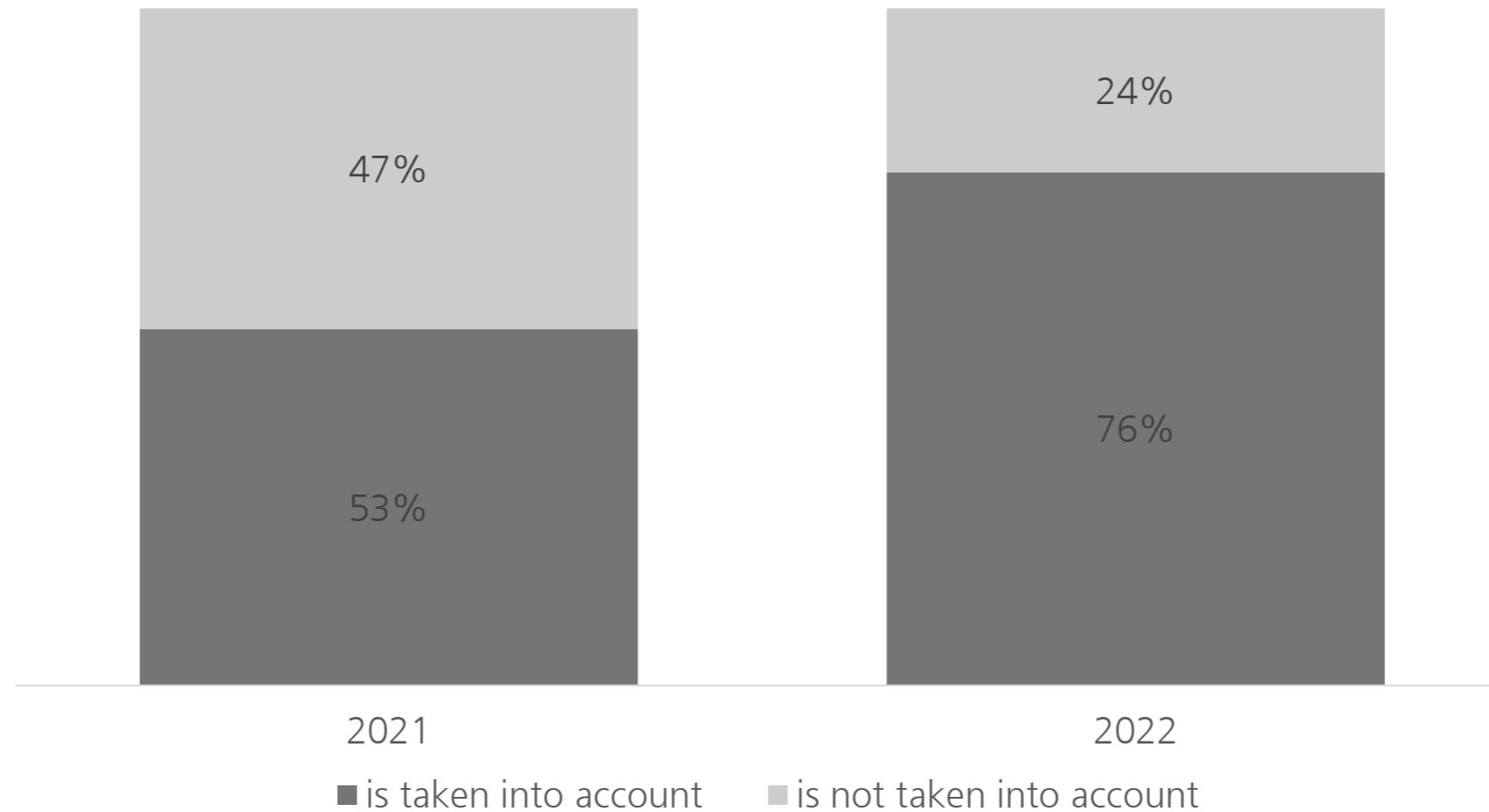
About the UBS Compensation Survey 2023

Annual survey conducted since 1989

- Held from 12 September to 5 October 2022
- Conducted for the 34th time
- 36 telephone interviews and 254 online interviews
- 290 companies, employer and employee representation associations
- 22 sectors represented
- Firms represented in these sectors employ more than 90 percent of Switzerland's working population

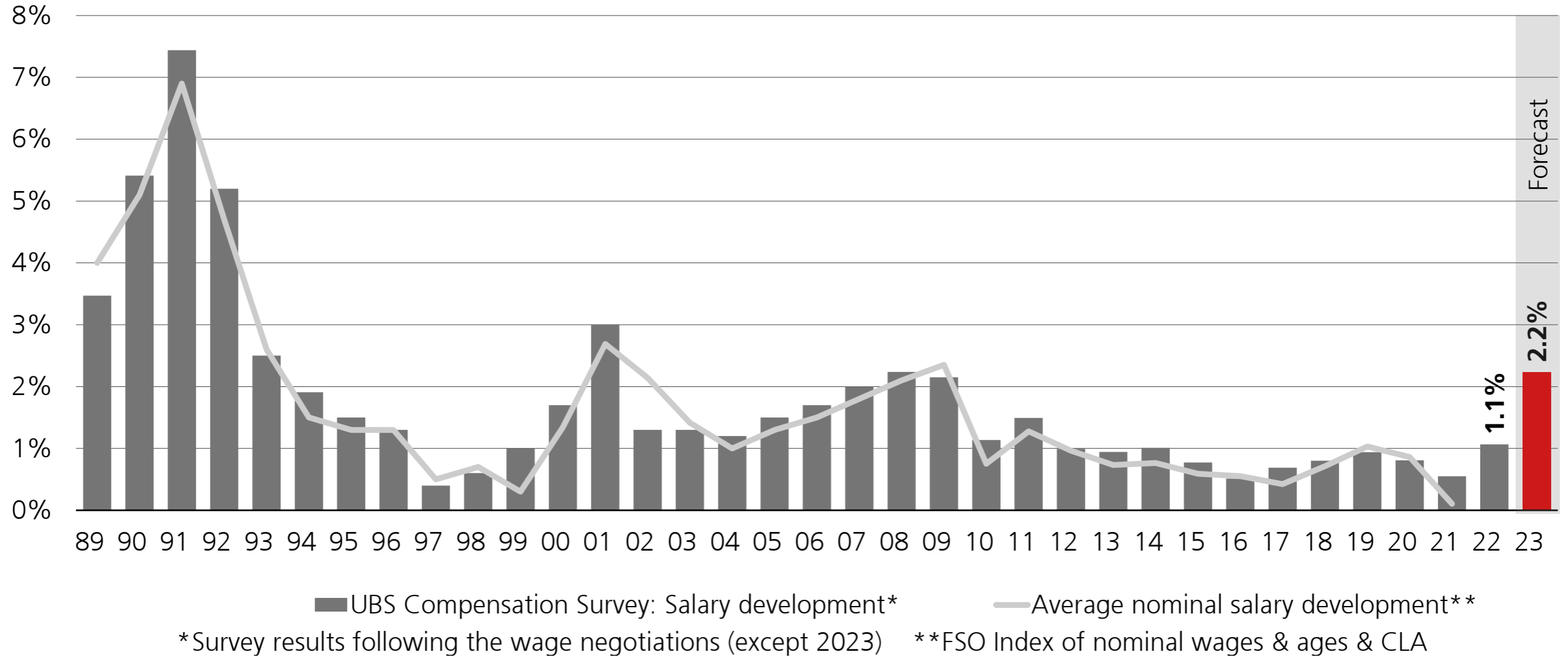
Inflation dominates wage negotiations

Share of companies that take current inflation developments into account for wage negotiations



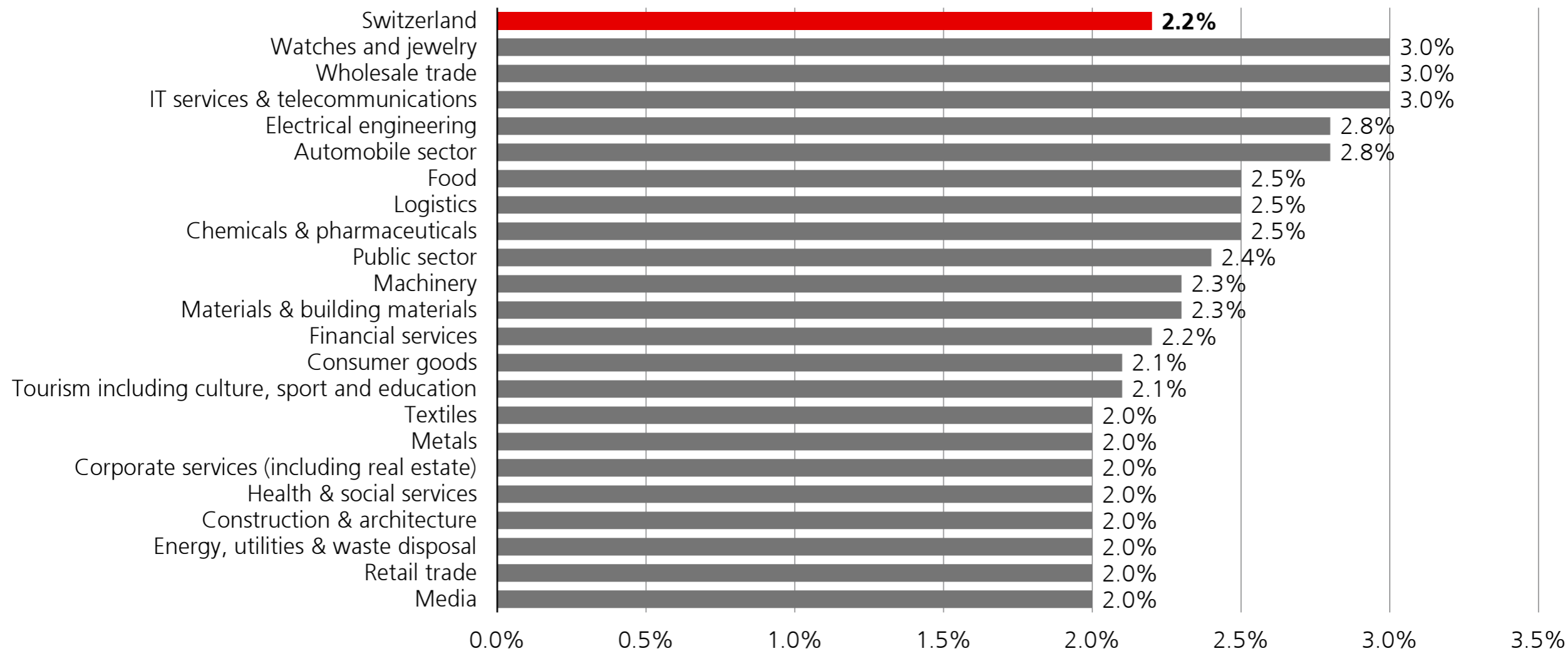
Strongest growth in nominal wages in 15 years

Nominal wage development since 1989, in %



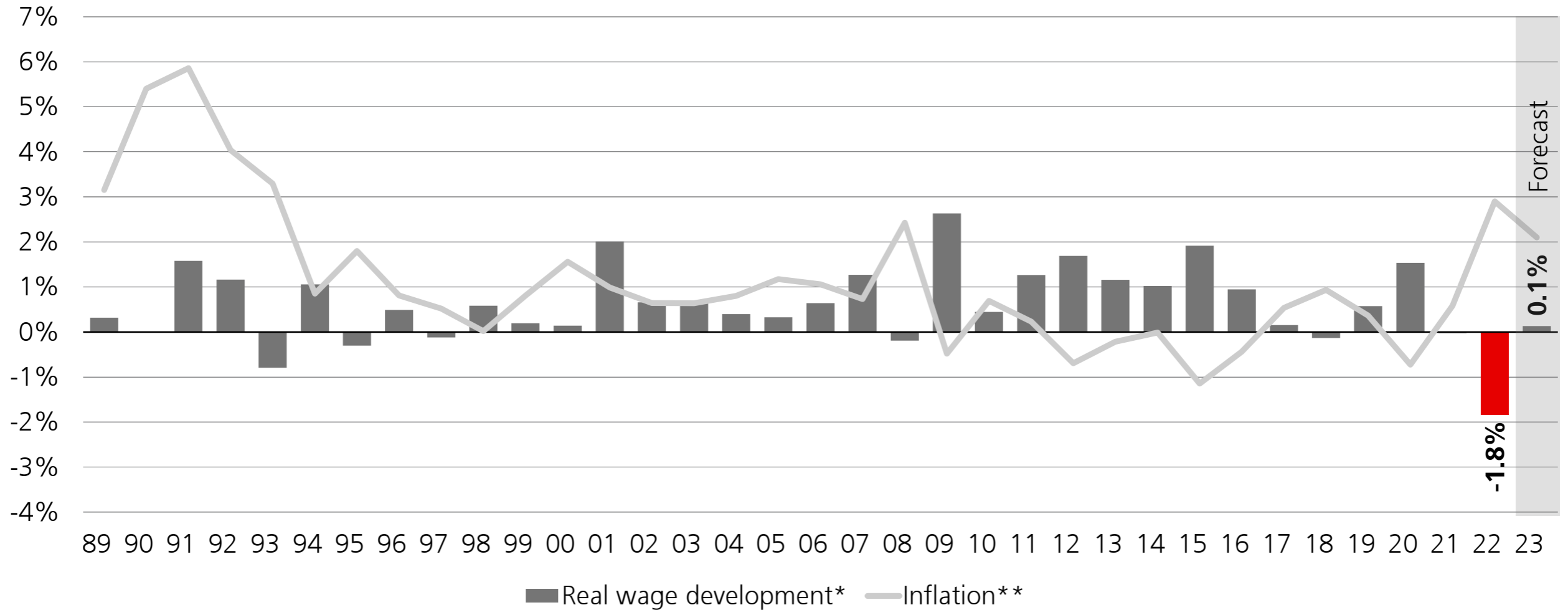
Watches, wholesale and IT with highest wage growth 2023

Expected increase in nominal wages in 2023, by sector



Record real wage loss 2022

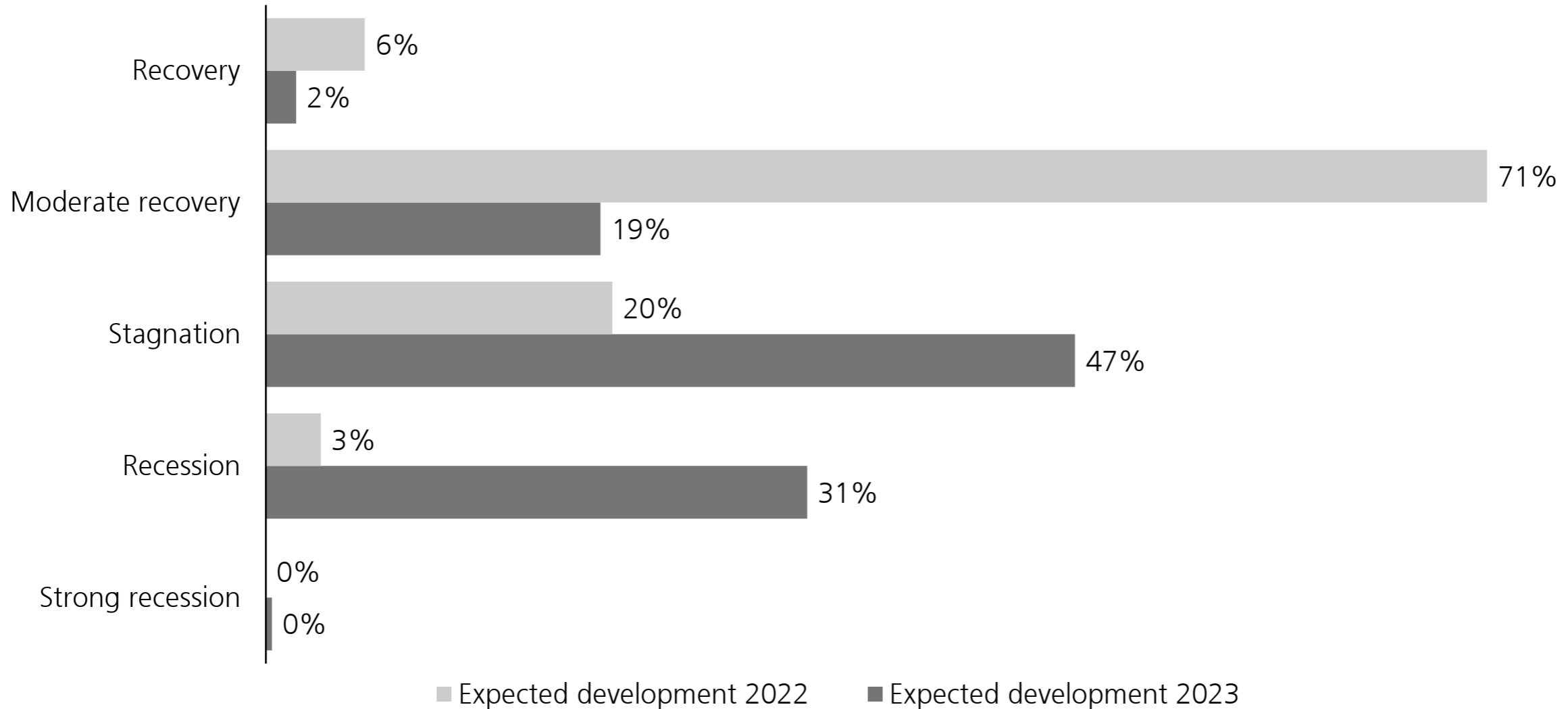
Real wage development and inflation since 1989, in %



*Survey results following the wage negotiations (except 2023) **2022 & 2023 UBS forecasts

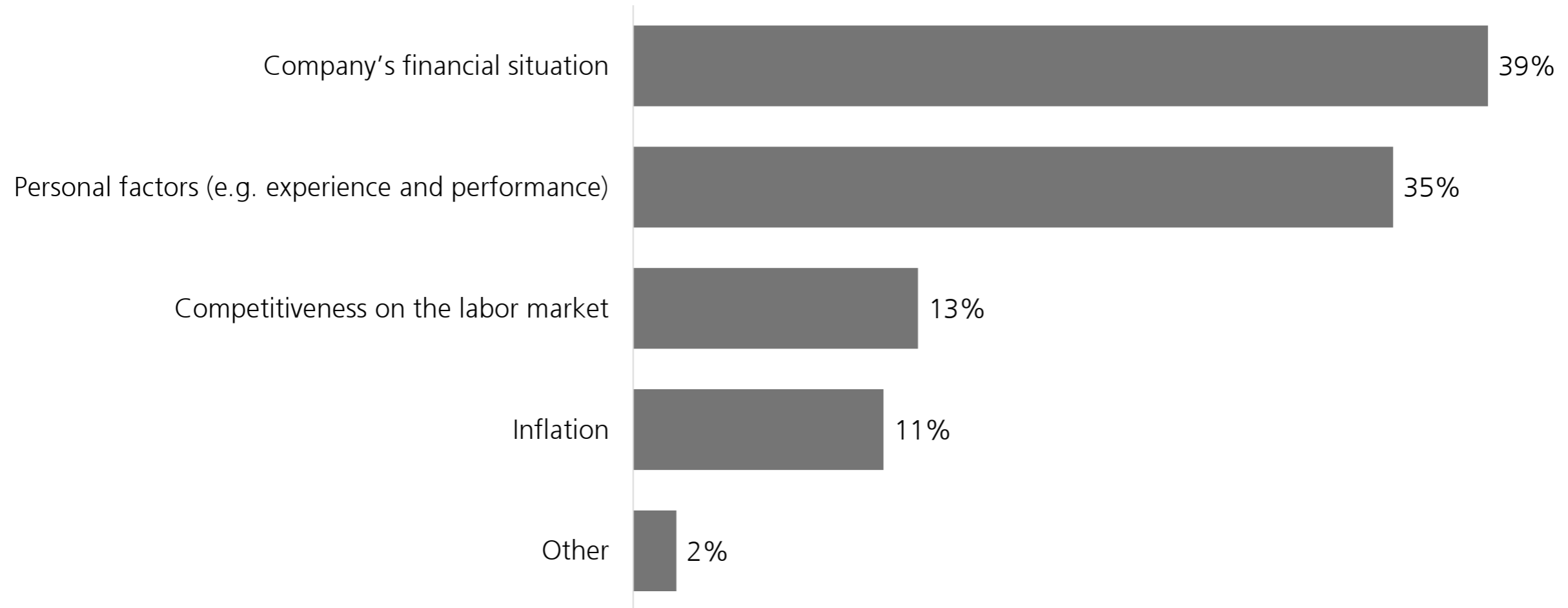
Less promising economic outlook prevents stronger wage increases

Question: "How do you assess the economic situation for the Swiss economy next year?"



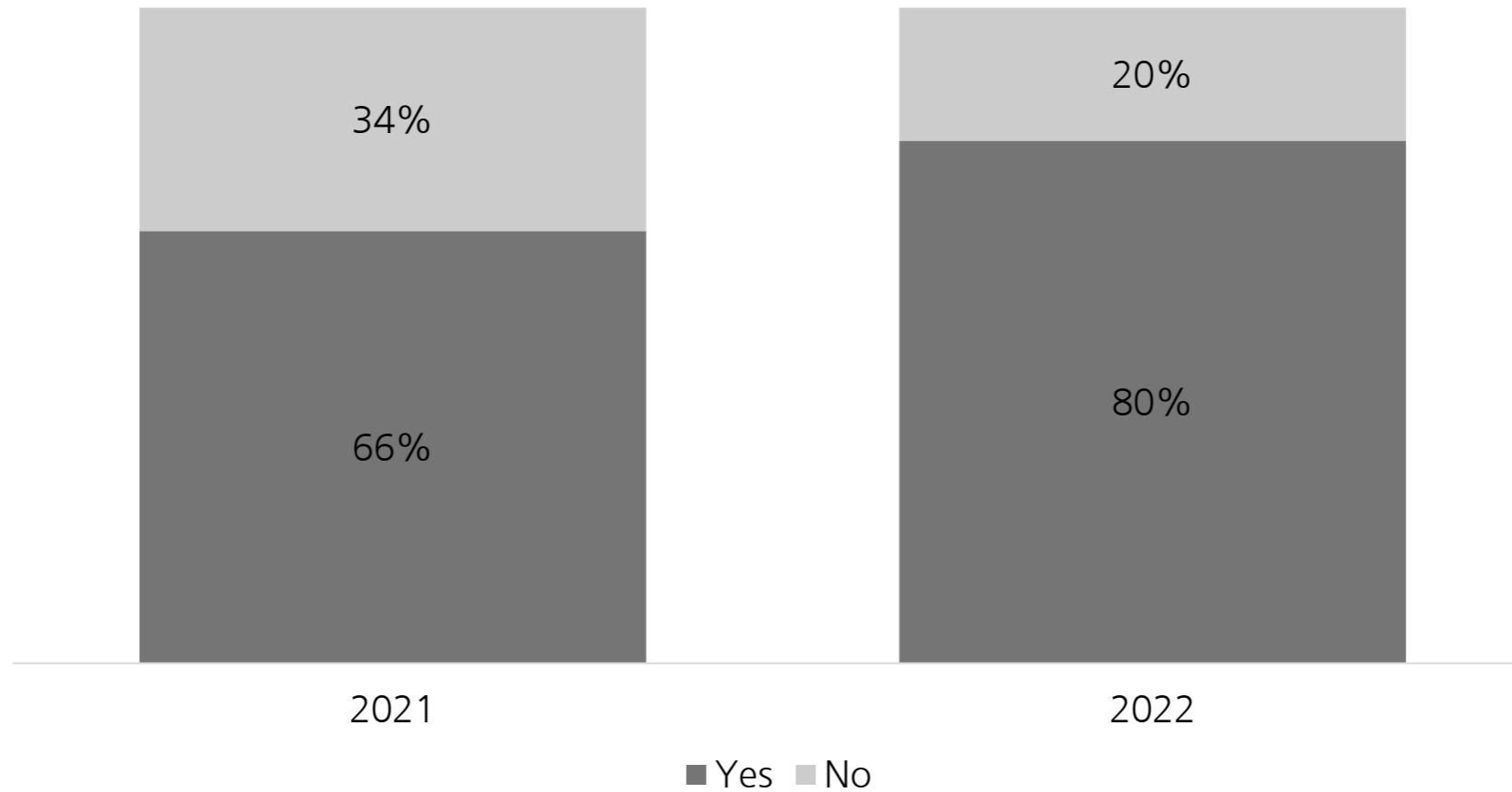
Inflation normally plays a subordinate role

Question: "What factors are decisive for wage increases in your company? Please rank the factors in order of importance."
Factors that the companies consider most important for wage increases (rank 1)



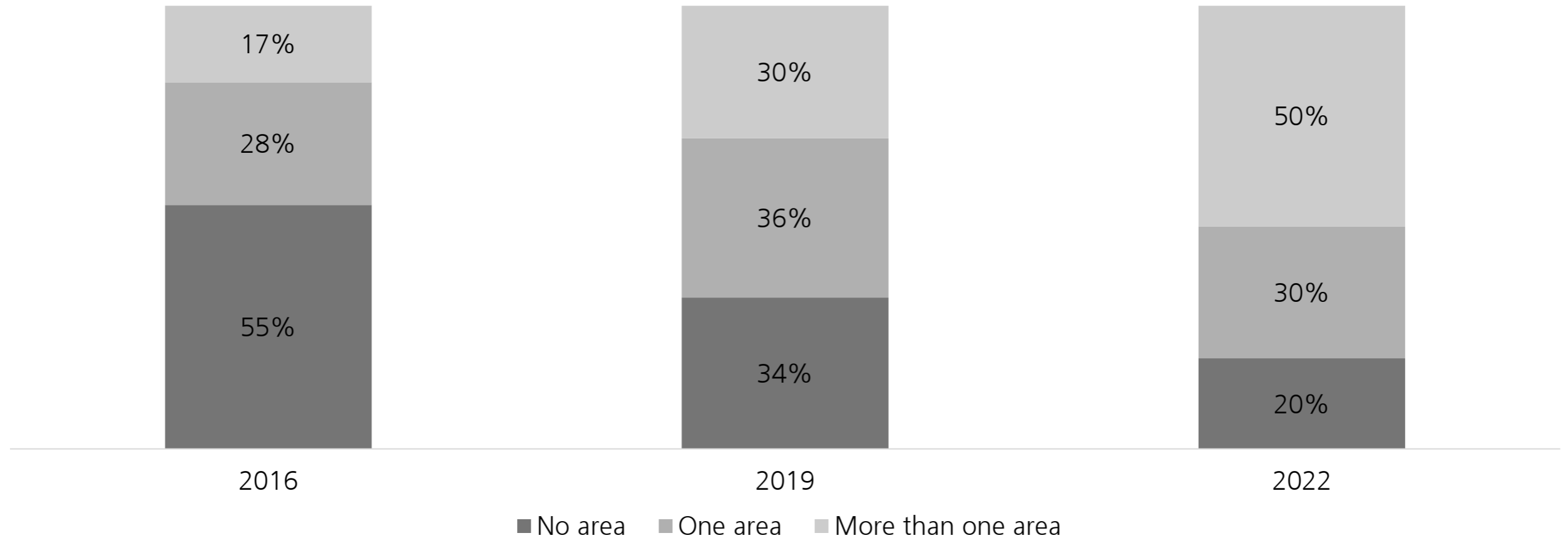
Recruitment difficulties increase

Question: "Is your company experiencing problems filling vacancies?"



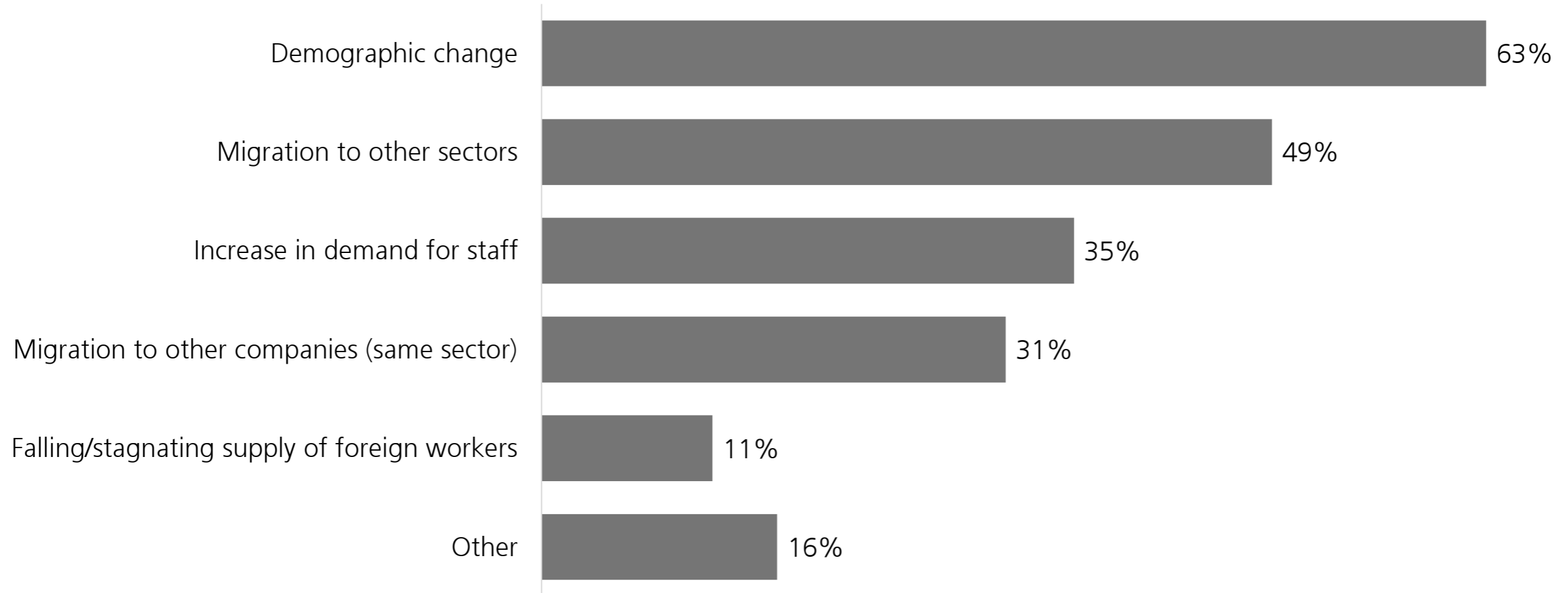
Lack of staff becoming more widespread

Share of companies experiencing problems filling vacancies in no, one or several areas



Structural reasons for labor shortage

Question: "What reasons do you see for the labor shortage in your company?" Answers of companies that have problems filling vacancies (multiple answers possible)



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