



Global Workforce Trends

Quarterly Market Report



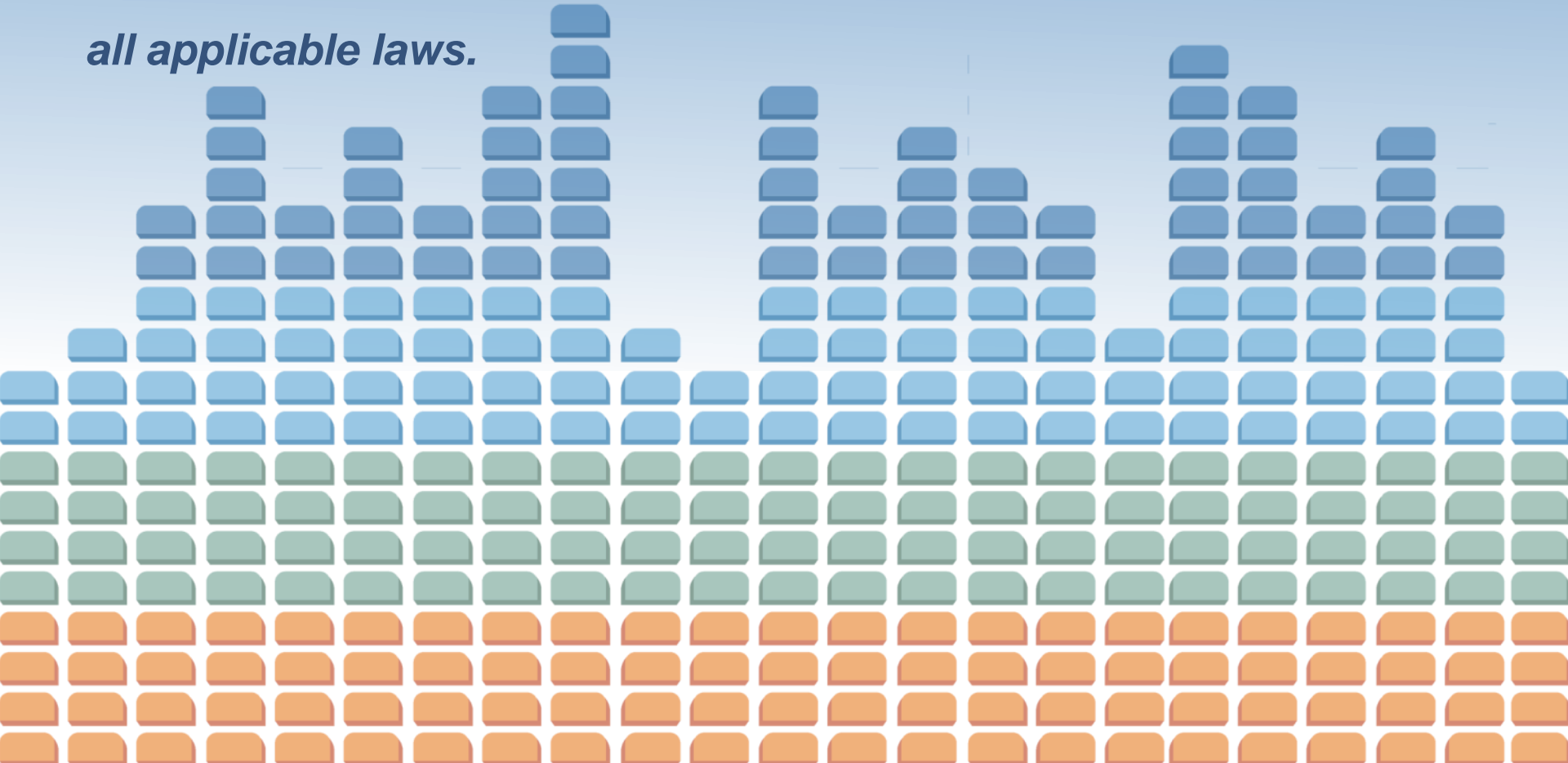
Q1 - March 2018



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This report is intended to provide an overview of general business information relative to global employment conditions and considerations. It should not be interpreted as legal advice. Please consult with legal counsel to ensure that you are in compliance with all applicable laws.



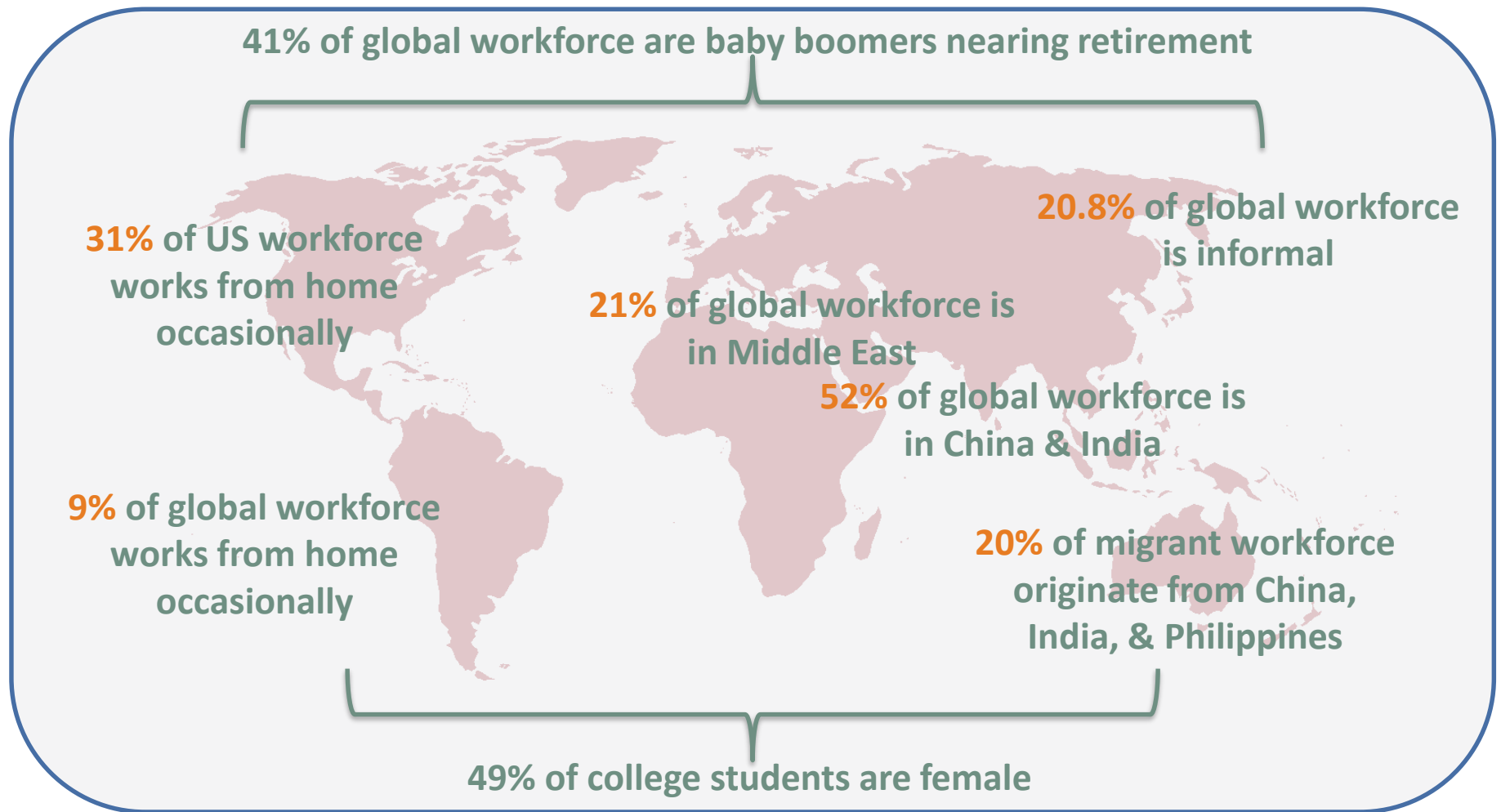


Global Workforce Trends

Q1' 18 Global Trends Overview

| | Wages | Restrictions | Benefits | Taxes |
|-------------------------|---|---|---|---|
| North America | <ol style="list-style-type: none"> 1. US – Minimum wage & O/T increasing 2. CA – Pay parity | <ol style="list-style-type: none"> 1. US - Visa, Salary History, & Drug testing | <ol style="list-style-type: none"> 1. US - State Paid-Leave Increase 2. CA – Increased leave | <ol style="list-style-type: none"> 1. US – State level increases 2. CA – Provincial increases |
| South & Central America | <ol style="list-style-type: none"> 1. Chile/Brazil increased O/T law 2. Central America tiered wage schedules | <ol style="list-style-type: none"> 1. Organized labor and collective bargaining changes 2. Costa Rica laws overhauled | <ol style="list-style-type: none"> 1. Increasing burdens & social insurance 2. Increasing use of pensions & non-wage incentives | <ol style="list-style-type: none"> 1. Ongoing reform, with minimal consistency cross-border |
| Europe | <ol style="list-style-type: none"> 1. Varies by country w/ UK regulations uncertain post-Brexit | <ol style="list-style-type: none"> 1. Foreign worker restrictions increasing for CEE workers | <ol style="list-style-type: none"> 1. Increased use of flex-schedule and remote work in white & gray collar | <ol style="list-style-type: none"> 1. Taxation of x-EU workers in/out of UK may adjust |
| Middle East & Africa | <ol style="list-style-type: none"> 1. Increasing insurance costs raise burden/bill rates | <ol style="list-style-type: none"> 1. Foreign worker restrictions increasing in Islam States | <ol style="list-style-type: none"> 1. Healthcare reform & social insurance ongoing review | <ol style="list-style-type: none"> 1. Taxation + insurance increasing costs of employment |
| Asia-Pacific | <ol style="list-style-type: none"> 1. O/T restrictions rising – Japan & China w/new guidelines | <ol style="list-style-type: none"> 1. Foreign worker restrictions in Singapore & elsewhere | <ol style="list-style-type: none"> 1. Reduced work hour closer to global average of 8.5/day | <ol style="list-style-type: none"> 1. Rising taxes, esp. China undermine cost savings of wages |

Workforce Demographics Have Evolved





Key Labor Trends for 2018 Planning

Skills Demand

Increasing demand for digitization across industries

- Increased focus on hiring fewer years of experience

Career Mapping

Organizational restructuring accounts for 17.8% of organizational movement in 2017

- Real-estate consolidation directly impacts nearly 1/3 of remote workforce strategies

Cost Savings

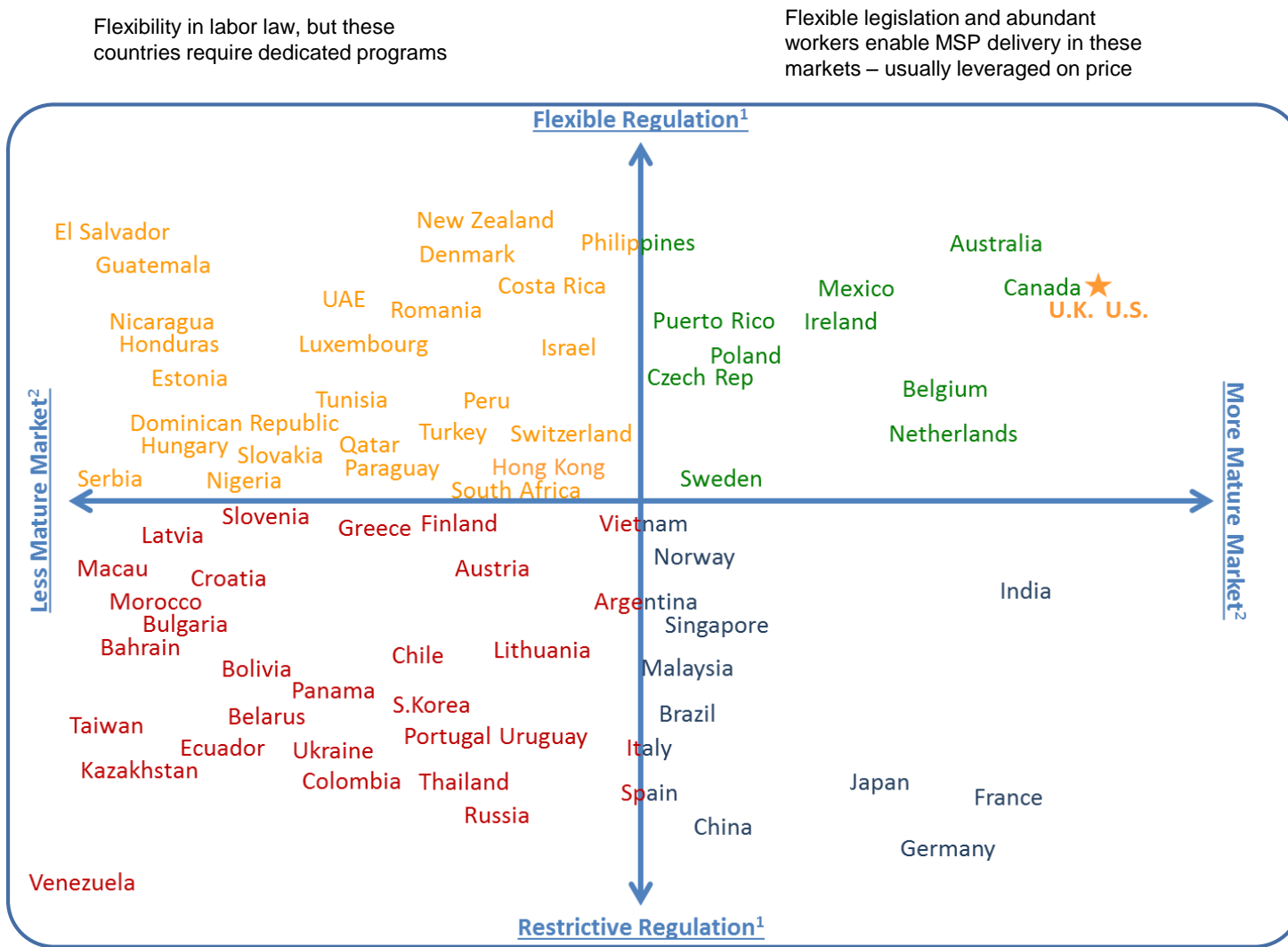
Location of hire driving 18% of cost savings

- Hiring 1-3 years experience saves 8-14% over 4 years
- O/T mapping can save 5-8% on current O/T spend

Legislative Impact

Paid Sick Leave & O/T regulations have highest impact in the US

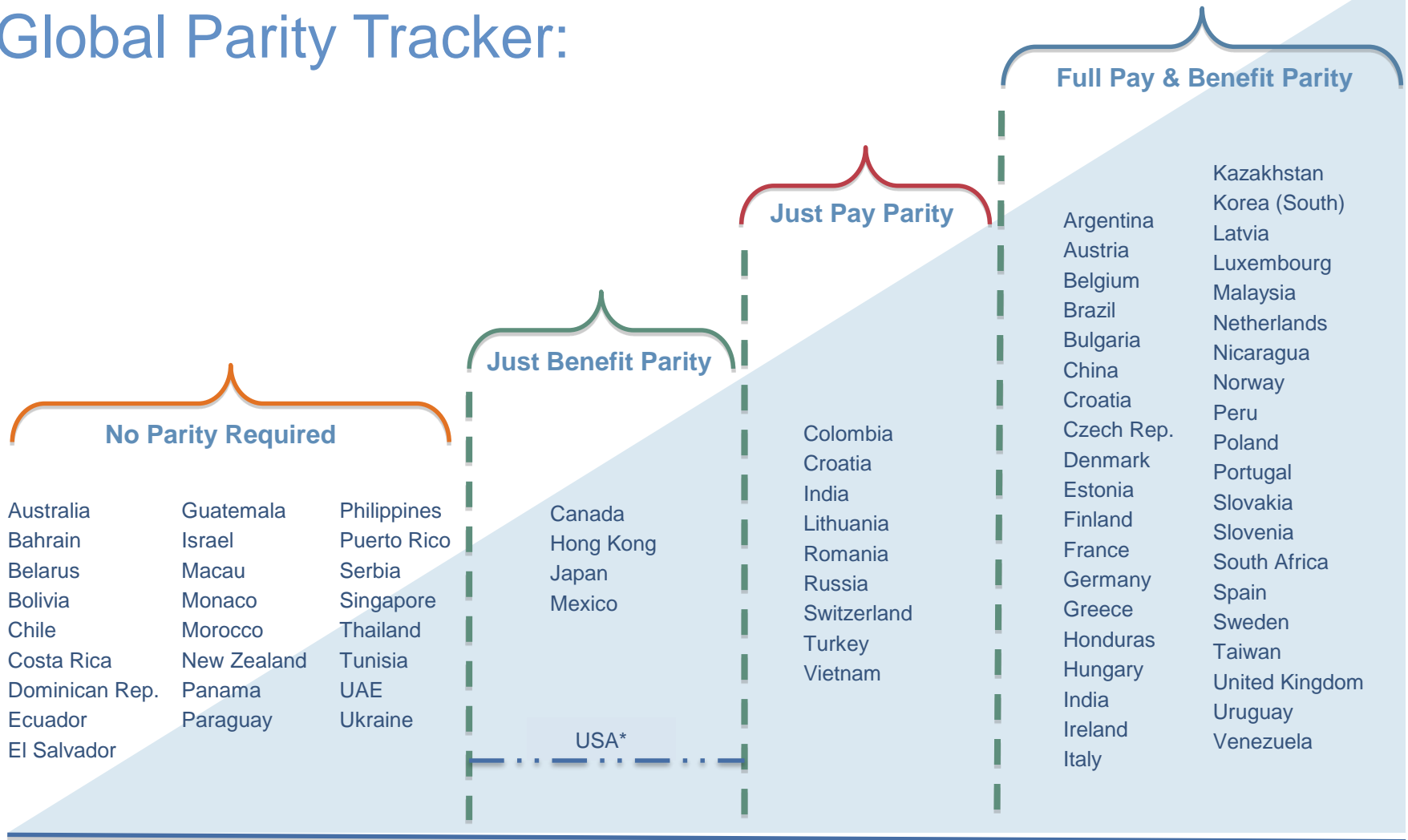
- Salary History ban and marijuana legislation increasingly adopted in US, impacting hiring process



1 Relative rank calculated based on active regulations related to contractual terms, costs or labor and termination, hiring and firing restrictions, and enforced consequences

2 Relative rank determined by MSP awareness, knowledge, and adoption

Global Parity Tracker:



USA* Full benefit parity is not required but the Healthcare Reform Bill is moving the USA in this direction



Regional Highlights

Strategic Update on Americas



Latin America

- The World Economic Forum ranks **Brazil** 119th in a list of countries for wage equality for similar work. The gap is especially noticeable for workers with higher levels of education. While women account for 60% of employees with a university degree, but their employers paid them 36% less than men with the same educational level.
- A controversial legislative measure nicknamed the 'youth slave law' is in the process of being passed by the **Peruvian** Congress. The law restricts youth benefits that would allow students a fair wage while studying and allows some employers to take on students of technical institutes without any compensation at all.
- **Costa Rica's** Labor Procedure Reform Law No. 9343 amends the procedural part of the country's labor code and the collective bargaining law and individual labor law governing the employer-employee relationship; nearly half of the country's labor and employment laws.

North America

- In New Brunswick (**Canada**) employees would be entitled to paid leave in situations where they are victims of domestic, intimate partner, or sexual violence under legislation being considered by New Brunswick's parliament. The leave is intended to give employees a chance to make life changes and enhance their safety. Bill 44 would also provide better access to unpaid leave for maternity, child care, or critical illness.
- Labor unions are asking **Mexico's** Labor secretary to push his American counterparts on new protections for guest workers in the **United States** as part of the ongoing negotiations over the North American Free Trade Agreement.
- There could be numerous changes to labor laws in the **United States** in 2018 due to the number of changes instituted or proposed in 2017. These include alterations on Federal and local tax codes that will affect executive compensation, changes to laws covering hours worked and wages paid, likely reforms to immigration laws that will affect how employers hire and who they may hire and the continuing growth of the #MeToo anti-harassment movement.

Strategic Update on EMEA



Eastern Europe

- Labor costs would increase in **Poland** if the government adopts a proposed new social security contribution system designed to increase individual retirement savings. The proposal is to create a so-called Employees' Capital Pension Scheme (PPK) that would require employers to contribute at least 1.5% of employees' gross wages to individual savings accounts.
- The average **Czech** salary has climbed to more than 30,000 crowns per month for the very first time. Average monthly earnings in the Czech Republic rose nearly 8% year-on-year to 31,646 crowns per month. Unemployment in the Czech Republic is also currently at a record low. The highest monthly wages were seen in the IT sector at 52,530 crowns per month followed by the finance and insurance (52,156 crowns) and energy (43,344 crowns) sectors.

Western Europe

- The **European Union** reached a tentative agreement to tighten employment rules for workers who move to richer member states in order to earn more money, a practice some countries say can be used to undercut wages and labor rules.
- **Germany's** business heartland has begun moves to loosen the country's strict labor laws for high earners, aiming to boost competitiveness but putting it on a collision course with powerful labor unions. The finance ministry is working "vigorously" on employment law reform for top earners across all industries. The plan is aimed at smoothing the system of time-consuming and costly settlements when companies fire senior staff, requiring contracts for elite workers to include agreed settlements in the event of early termination.
- Migration into the **United Kingdom** from Europe has reached its lowest point since 2013, indicating that the June 2016 vote to leave the EU has changed the dynamics of immigration into Britain, where the number of foreign arrivals and its impact on local communities, public services, and wages was a key reason behind the Brexit vote.

Strategic Update on APAC



Asia Pacific

- **Taiwan** has empowered its Ministry of Labor to enforce its 2014 Act of Gender Equality in Employment, including prescribing measures to implement parental leave, subsidizing employers that set up nursing rooms and offer childcare options to employees, exercising authority to impose sanctions (such as fines for violations up to \$50,000), and publishing offending individuals' names and titles and ordering them to improve within a specified period.

- **India's** Sexual Harassment of Women at Workplace Act requires employers to enact specific procedures to handle sexual harassment complaints from female employees, including forming a committee with one independent external expert and enacting written policies. Though it is not a gender-neutral law, many global companies choose to enact gender-neutral policies based on it.
- **Japan** established a government agency designed to enforce its protections applicable to female employees and to address issues associated with female workers. The agency has the right to audit companies' relevant books and records.
- **Malaysia's** Employment Act requires employers to investigate any complaint of sexual harassment and, if the employee is found guilty, the employer must discipline the perpetrator.
- **Singapore's** Protection from Harassment Act, though not specifically employment-related, criminalizes sexual harassment and lists workplace harassment as an example of unlawful harassment.
- In **Australia** large employers must file annual reports to the Workplace Gender Equality Agency that address gender composition, pay disparity, flexible work arrangement availability, and consultation with employees about issues in the workplace.



Detailed Country Analysis: Americas

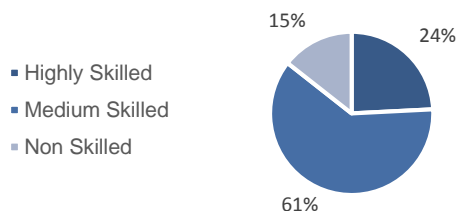
Argentina

Agriculture 2% Services 73% Industry 25%

Economic Climate

Workforce (9% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 19,901,954 |
| Permanent Employees | 13,669,319 |
| Non Standard Workforce | 4,580,773 |
| Unemployed Workers | 1,651,862 |

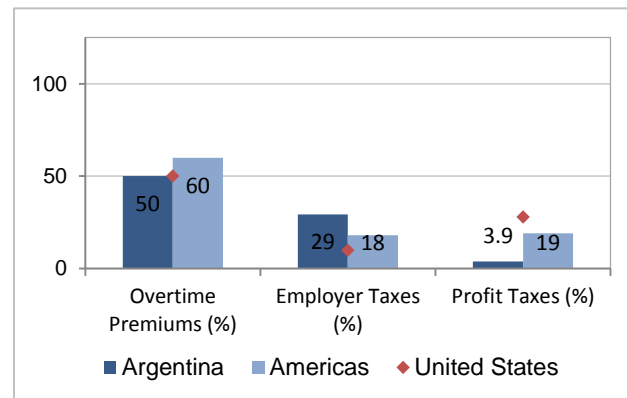


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Argentina | Regional Ave |
| 1 Year | 4.3 weeks | 1.9 weeks |
| 5 Years | 8.7 weeks | 2.7 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Argentina | Regional Ave |
| 1 Year | 4.3 weeks | 4.3 weeks |
| 5 Years | 21.7 weeks | 16.4 weeks |

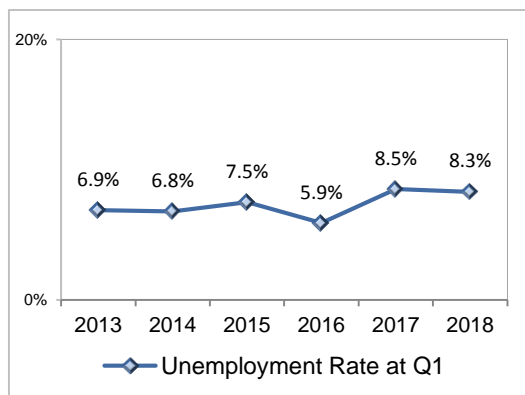
Other Cost Considerations



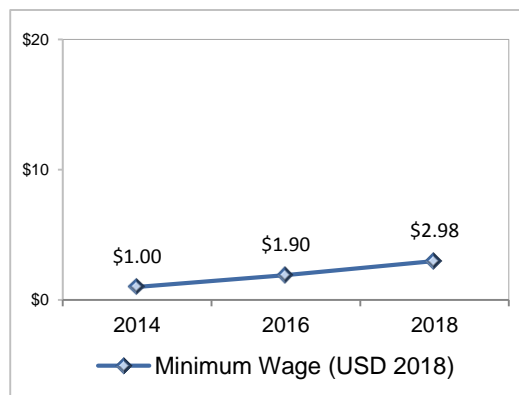
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



■ Minimum Wage in USD at 2018 Exchange rate

Nominal Wage Inflation and Inflation

| Year on Year | |
|--|-------|
| Wage Inflation Rate (Dec 17) Private Sector | 0.74% |
| Inflation Rate | 25% |

- According to ECW International, private sector employees are expecting a 25% salary increase during 2018 (forecast to be approximately 7% in real terms).
- Teachers are demanding a 15% increase in salary.
- Recent job losses in the public sector.

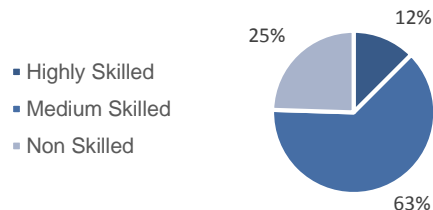
Bolivia

Agriculture 30% Services 49% Industry 21%

Labor Market

Workforce (50% Informal Workforce)

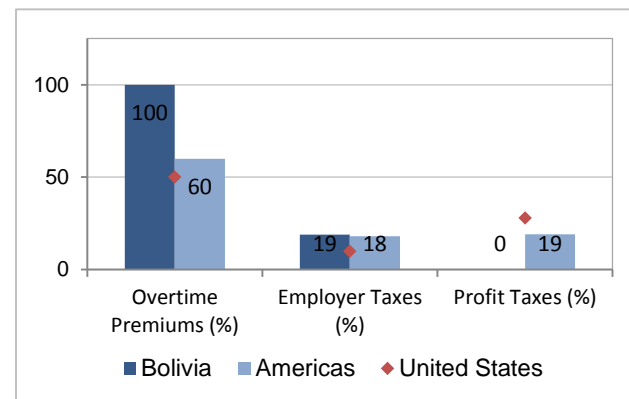
| | |
|------------------------|------------------|
| Total Workforce | 5,093,300 |
| Permanent Employees | 3,199,687 |
| Non Standard Workforce | 1,715,347 |
| Unemployed Workers | 178,266 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|---------------------------------------|--------------|
| Tenure | Bolivia | Regional Ave |
| 1 Year | Redundancy Dismissal not permissible. | 1.9 weeks |
| 5 Years | | 2.7 weeks |
| Severance Pay By Tenure | | |
| Tenure | Bolivia | Regional Ave |
| 1 Year | Redundancy Dismissal not permissible. | 4.3 weeks |
| 5 Years | | 16.4 weeks |

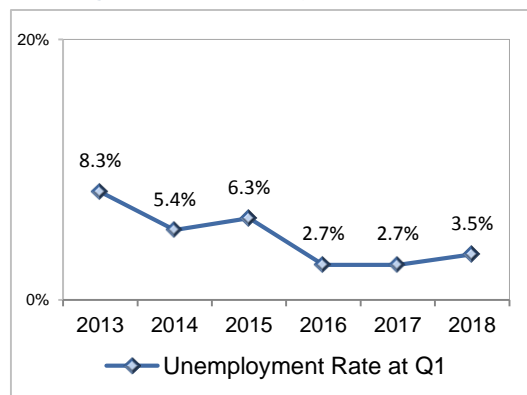
Other Cost Considerations



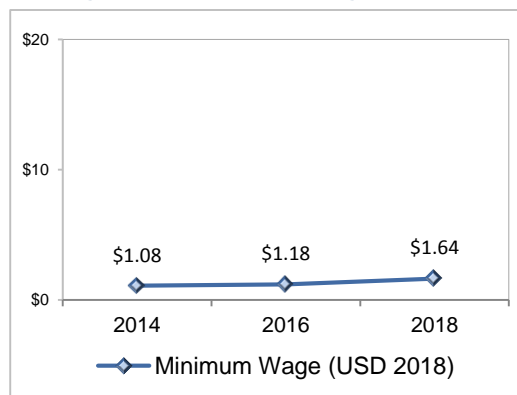
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Dec 17) | 2.7% |

- According to the IMF, minimum wages in Bolivia increased on average by 14% per year between 2006 and 2016.

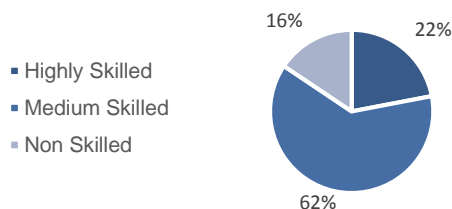
Brazil

Agriculture 15% Services 63 % Industry 22%

Labor Market

Workforce (10% Informal Workforce)

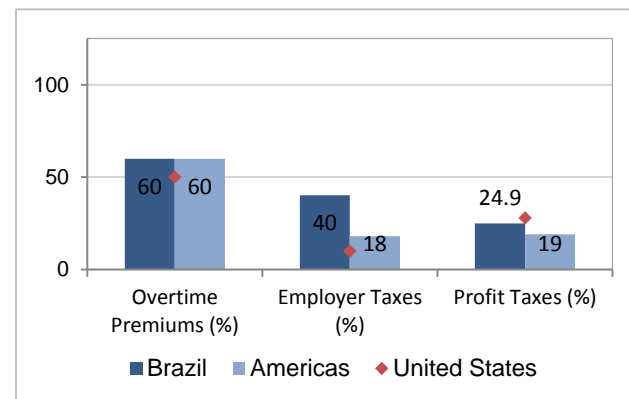
| | |
|------------------------|--------------------|
| Total Workforce | 104,278,814 |
| Permanent Employees | 62,358,314 |
| Non Standard Workforce | 29,615,600 |
| Unemployed Workers | 12,304,900 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Brazil | Regional Ave |
| 1 Year | 4.7 weeks | 1.9 weeks |
| 5 Years | 6.4 weeks | 2.7 weeks |
| Severance Pay By Tenure | | |
| Tenure | Brazil | Regional Ave |
| 1 Year | 1.7 weeks | 4.3 weeks |
| 5 Years | 8.3 weeks | 16.4 weeks |

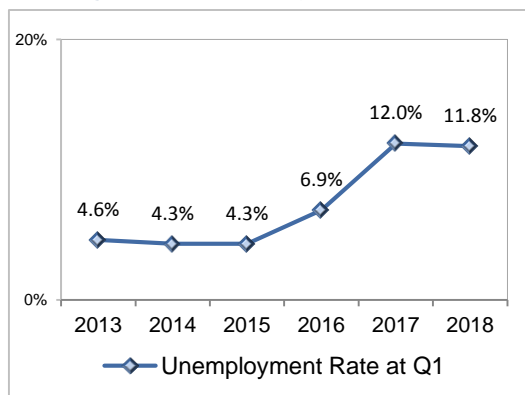
Other Cost Considerations



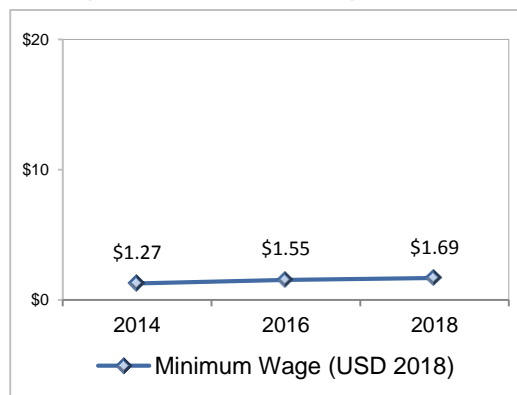
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Each Brazilian state has its own minimum wage which can not be lower than the Federal wage.

Nominal Wage Inflation and Inflation

| Year on Year | |
|---------------------------|-------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Jan 2018) | 2.86% |

- Recent labor reform implemented to try to increase job creation.

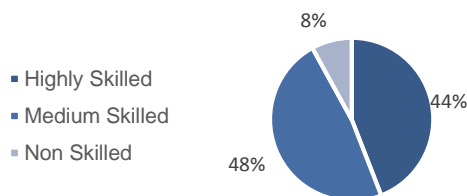
Canada

Agriculture 2% Services 78% Industry 20%

Labor Market

Workforce (7% Informal Workforce)

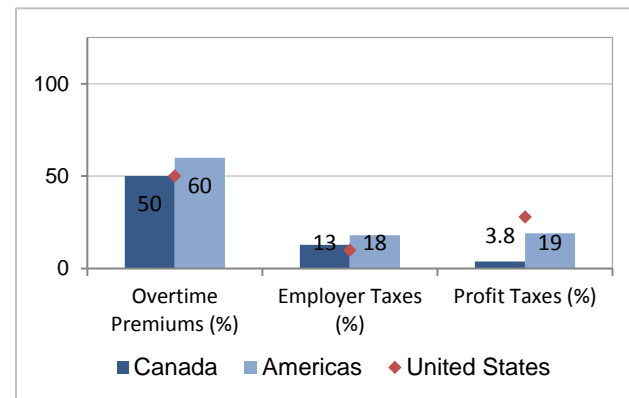
| | |
|------------------------|-------------------|
| Total Workforce | 19,784,200 |
| Permanent Employees | 15,749,925 |
| Non Standard Workforce | 2,867,008 |
| Unemployed Workers | 1,167,268 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Canada | Regional Ave |
| 1 Year | 2.0 weeks | 1.9 weeks |
| 5 Years | 5.0 weeks | 2.7 weeks |
| Severance Pay By Tenure | | |
| Tenure | Canada | Regional Ave |
| 1 Year | 0 weeks | 4.3 weeks |
| 5 Years | 5.0 weeks | 16.4 weeks |

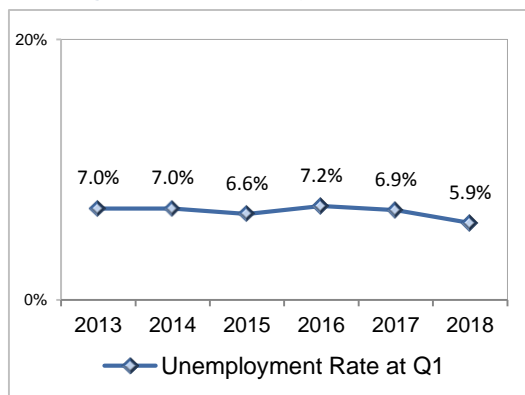
Other Cost Considerations



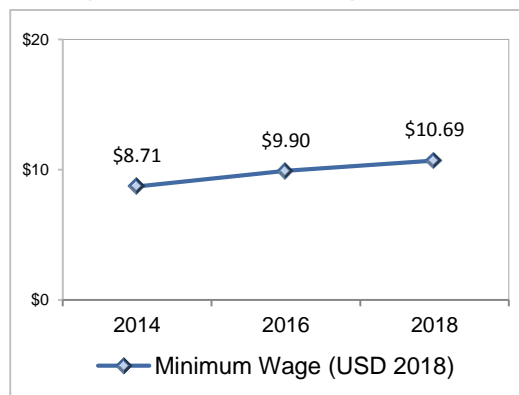
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Minimum wage varies by Province. This is a mid-point.

Nominal Wage Inflation and Inflation

| Year on Year to Dec 2017 | |
|---------------------------|------|
| Wage Inflation Rate (Dec) | 2.7% |
| Inflation Rate (Jan 18) | 1.7% |

- Average hourly wage in December 2017 was C\$26.68.
- Youth unemployment in Canada is at 10.9%.
- Part time employment fell by 137,000 jobs in January but full time employment was up by 49,000. Ontario's 20% increase in minimum wage is thought to have been a key contributor to the loss of 50,900 jobs.

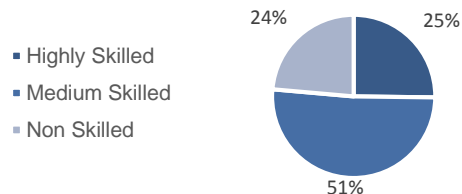
Chile

Agriculture 10% Services 68% Industry 23%

Labor Market

Workforce (10% Informal Workforce)

| | |
|------------------------|------------------|
| Total Workforce | 8,963,683 |
| Permanent Employees | 6,057,585 |
| Non Standard Workforce | 2,332,422 |
| Unemployed Workers | 573,676 |

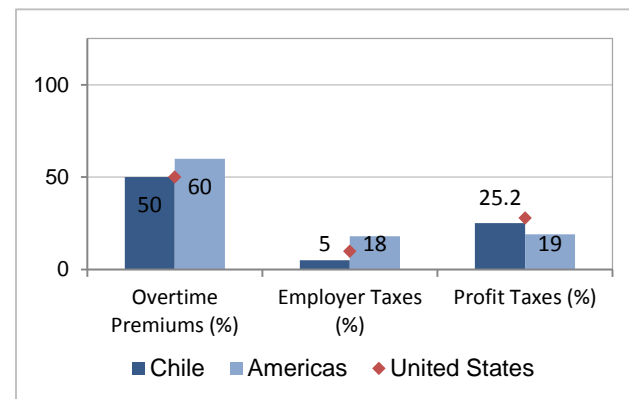


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Chile | Regional Ave |
| 1 Year | 4.3 weeks | 1.9 weeks |
| 5 Years | 4.3 weeks | 2.7 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Chile | Regional Ave |
| 1 Year | 2.8 weeks | 4.3 weeks |
| 5 Years | 15.2 weeks | 16.4 weeks |

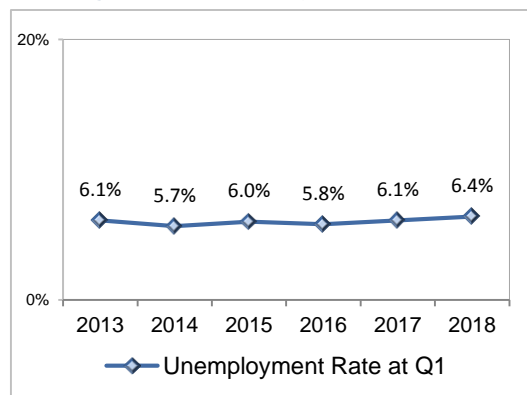
Other Cost Considerations



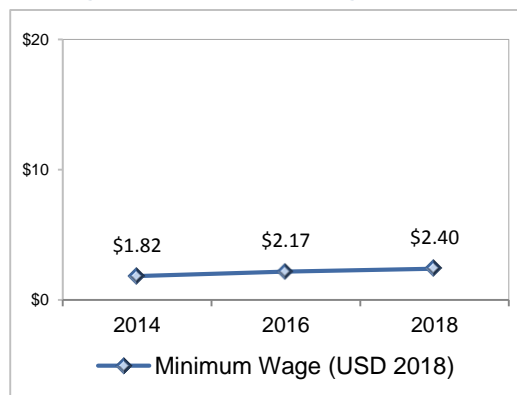
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Dec 17) | 5.1% |
| Inflation Rate (Jan 18) | 2.2% |

- According to the OECD, Economic growth in 2018 is expected to be 2.9% up from the 1.7% of 2017.

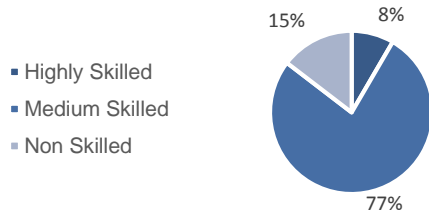
Colombia

Agriculture 14% Services 70% Industry 17%

Labor Market

Workforce (31% Informal Workforce)

| | |
|------------------------|------------|
| Total Workforce | 26,421,780 |
| Permanent Employees | 11,833,258 |
| Non Standard Workforce | 12,316,249 |
| Unemployed Workers | 2,272,273 |

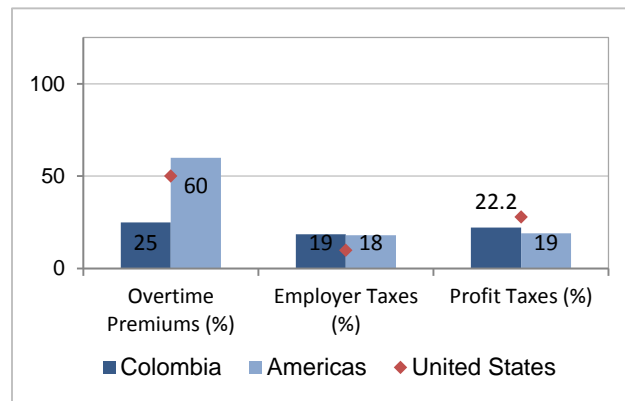


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|----------|--------------|
| Tenure | Colombia | Regional Ave |
| 1 Year | 0 weeks | 1.9 weeks |
| 5 Years | 0 weeks | 2.7 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Colombia | Regional Ave |
| 1 Year | 4.3 weeks | 4.3 weeks |
| 5 Years | 15.7 weeks | 16.4 weeks |

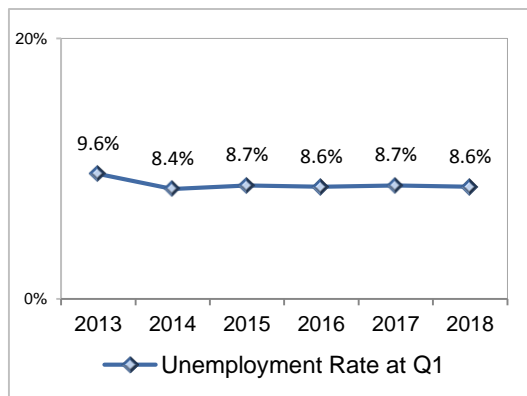
Other Cost Considerations



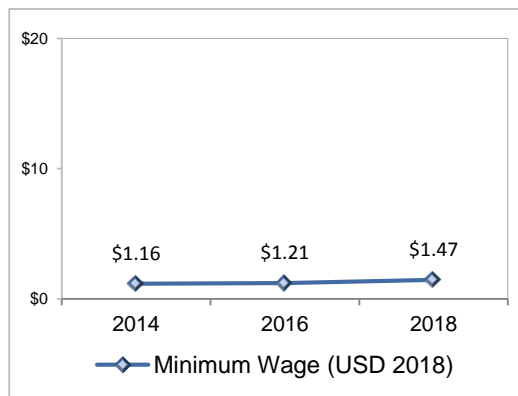
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Jan 18) | 3.7% |

- GDP growth is forecast to be 2.7% in 2018.
- The minimum wage rise for this year is 5.9% which is below the 9.0% that the workers were requesting but above the 5.1% proposed by business leaders.
- President Santos reported that 2.5 million workers and pensioners receive the minimum wage.

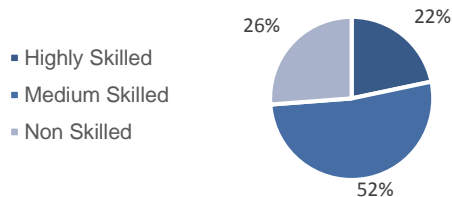
Costa Rica

Agriculture 12% Services 69% Industry 19%

Labor Market

Workforce (9% Informal Workforce)

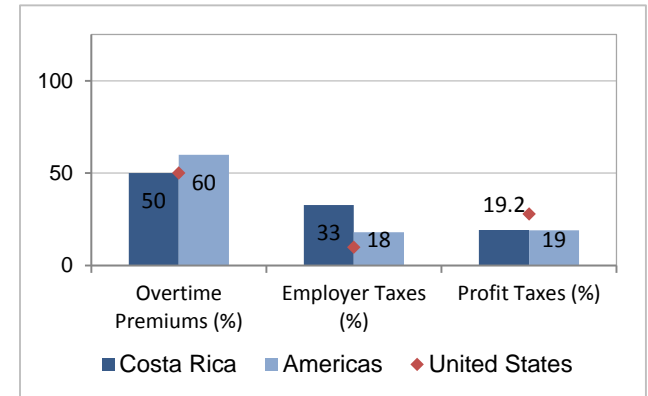
| | |
|------------------------|-----------|
| Total Workforce | 2,288,044 |
| Permanent Employees | 1,624,925 |
| Non Standard Workforce | 450,331 |
| Unemployed Workers | 212,788 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Costa Rica | Regional Ave |
| 1 Year | 4.3 weeks | 1.9 weeks |
| 5 Years | 4.3 weeks | 2.7 weeks |
| Severance Pay By Tenure | | |
| Tenure | Costa Rica | Regional Ave |
| 1 Year | 2.8 weeks | 4.3 weeks |
| 5 Years | 15.2 weeks | 16.4 weeks |

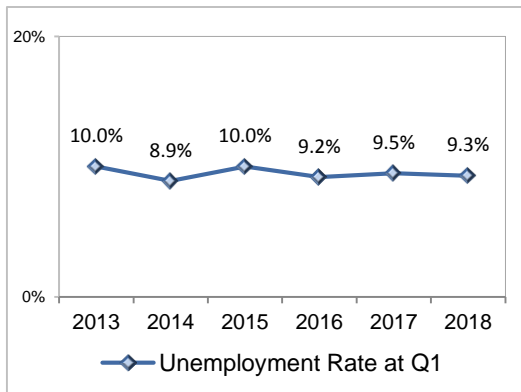
Other Cost Considerations



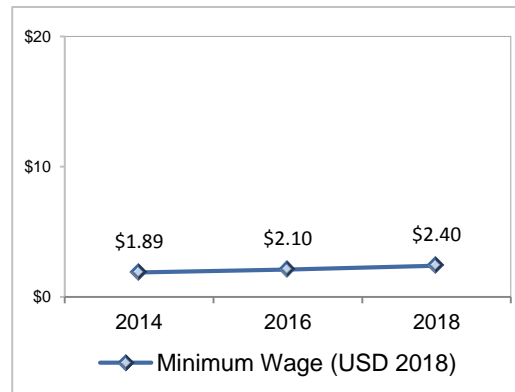
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Minimum wage varies by occupation. This is for a machine operator.

Nominal Wage Inflation and Inflation

| Year on Year | |
|---------------------------|------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Jan 2018) | 2.4% |

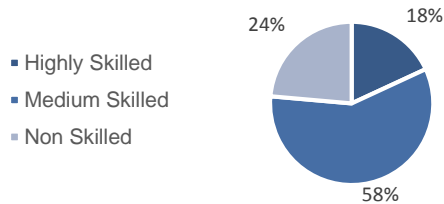
- GDP growth for 2017 was 2.98%.
- Youth unemployment is at 22.3%
- Bayer, Citi and Amazon are among companies that have recently announced expansion plans in Costa Rica.

Dominican Republic Agriculture 13% Services 70% Industry 17%

Labor Market

Workforce (20% Informal Workforce)

| | |
|------------------------|-----------|
| Total Workforce | 5,081,390 |
| Permanent Employees | 2,687,110 |
| Non Standard Workforce | 2,119,885 |
| Unemployed Workers | 274,395 |

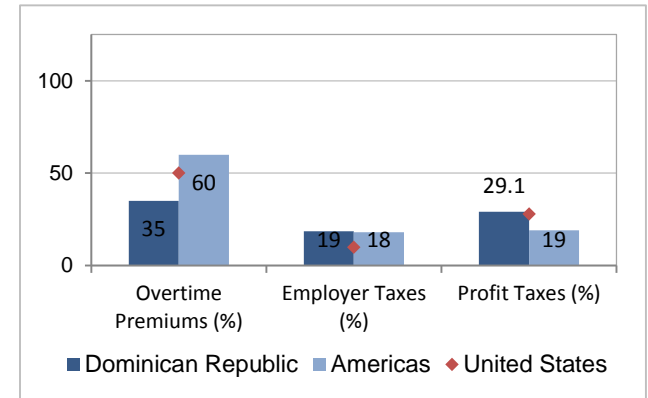


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|----------------|--------------|
| Tenure | Dominican Rep. | Regional Ave |
| 1 Year | 4.0 weeks | 1.9 weeks |
| 5 Years | 4.0 weeks | 2.7 weeks |

| Severance Pay By Tenure | | |
|-------------------------|----------------|--------------|
| Tenure | Dominican Rep. | Regional Ave |
| 1 Year | 3.8 weeks | 4.3 weeks |
| 5 Years | 20.9 weeks | 16.4 weeks |

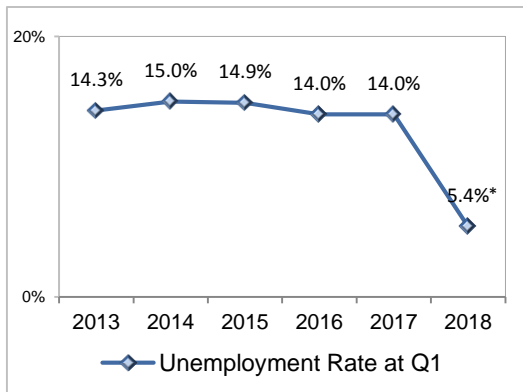
Other Cost Considerations



Source: <http://www.doingbusiness.org/>

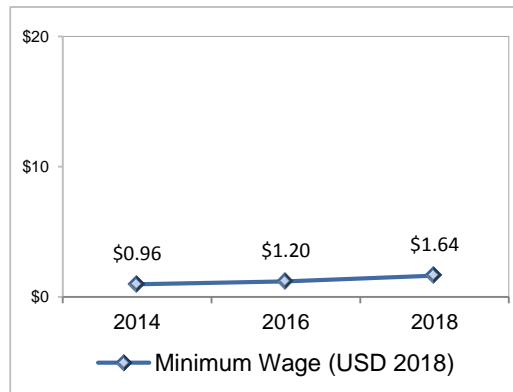
Economic Climate

Changes to Unemployment Rates



■ *Rate reported by the country. World Bank 2017 data has unemployment at 13.8%.

Changes to Minimum Wage (2018 USD rate)



■ Minimum wage depends on location and the size of the company and amount of company capital.

Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Dec 17) | 4.2% |

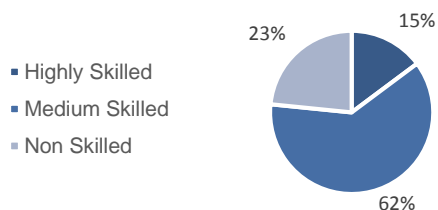
Ecuador

Agriculture 26% Services 55% Industry 19%

Labor Market

Workforce (34% Informal Workforce)

| | |
|------------------------|------------------|
| Total Workforce | 8,119,988 |
| Permanent Employees | 3,916,303 |
| Non Standard Workforce | 3,732,726 |
| Unemployed Workers | 470,959 |

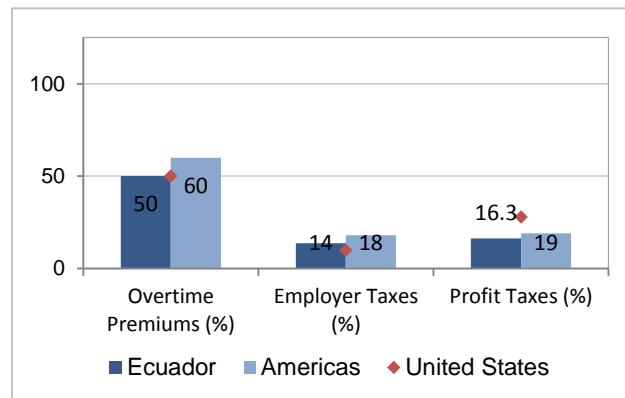


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|---------|--------------|
| Tenure | Ecuador | Regional Ave |
| 1 Year | 0 weeks | 1.9 weeks |
| 5 Years | 0 weeks | 2.7 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Ecuador | Regional Ave |
| 1 Year | 14.1 weeks | 4.3 weeks |
| 5 Years | 27.1 weeks | 16.4 weeks |

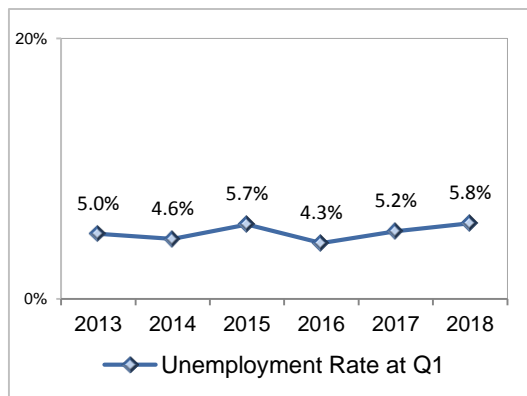
Other Cost Considerations



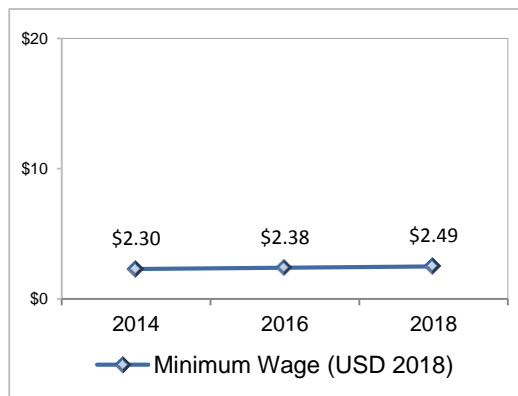
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

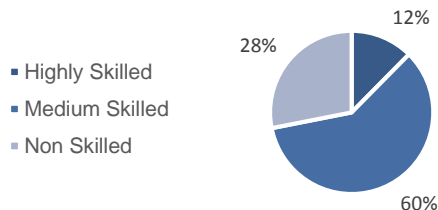
| Year on Year | |
|----------------------------|-------|
| Wage Inflation Rate (2017) | 2.5% |
| Inflation Rate (Jan 18) | -0.9% |

El Salvador Agriculture 19% Services 61% Industry 20%

Labor Market

Workforce (30% Informal Workforce)

| | |
|------------------------|-----------|
| Total Workforce | 2,844,179 |
| Permanent Employees | 1,599,350 |
| Non Standard Workforce | 1,048,581 |
| Unemployed Workers | 196,248 |

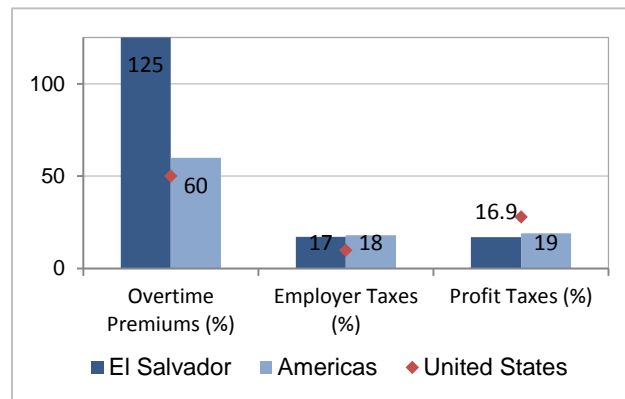


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-------------|--------------|
| Tenure | El Salvador | Regional Ave |
| 1 Year | 0 weeks | 1.9 weeks |
| 5 Years | 0 weeks | 2.7 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-------------|--------------|
| Tenure | El Salvador | Regional Ave |
| 1 Year | 4.3 weeks | 4.3 weeks |
| 5 Years | 21.4 weeks | 16.4 weeks |

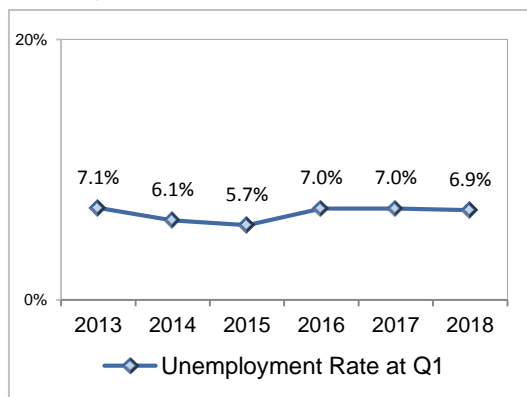
Other Cost Considerations



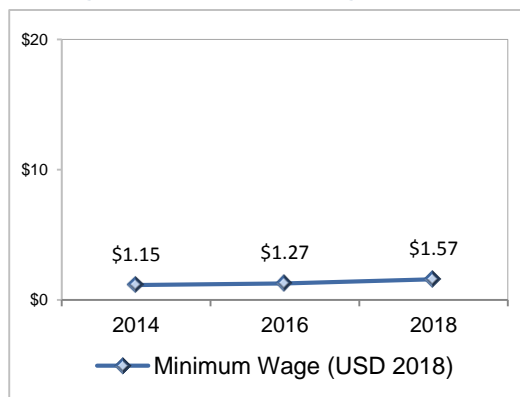
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Minimum wage varies by industry. This minimum wage is for the retail industry.

Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Jan 18) | 1.4% |

- Approximately 240K Salvadorans in the United States are set to lose their Temporary Protected Status. This will impact the economy as the Washington Post reports that 18.3% of El Salvador's GDP comes from US remittances.

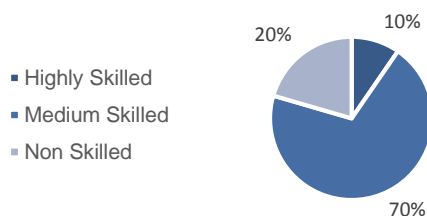
Guatemala

Agriculture 32% Services 49% Industry 19%

Labor Market

Workforce (39% Informal Workforce)

| | |
|------------------------|-----------|
| Total Workforce | 6,812,531 |
| Permanent Employees | 4,147,128 |
| Non Standard Workforce | 2,488,277 |
| Unemployed Workers | 177,126 |

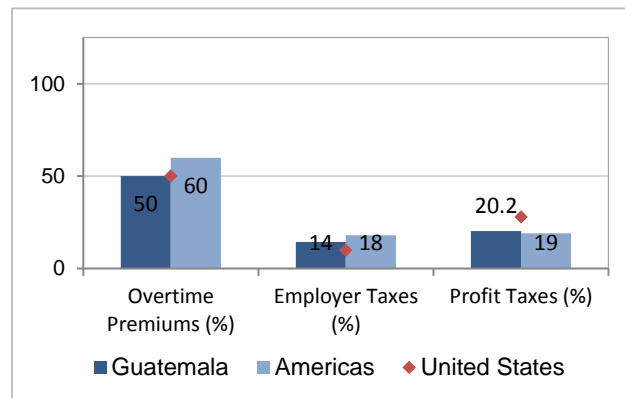


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Guatemala | Regional Ave |
| 1 Year | 0 weeks | 1.9 weeks |
| 5 Years | 0 weeks | 2.7 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Guatemala | Regional Ave |
| 1 Year | 5.1 weeks | 4.3 weeks |
| 5 Years | 25.3 weeks | 16.4 weeks |

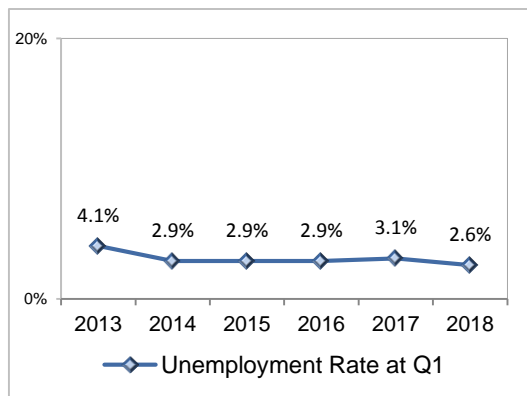
Other Cost Considerations



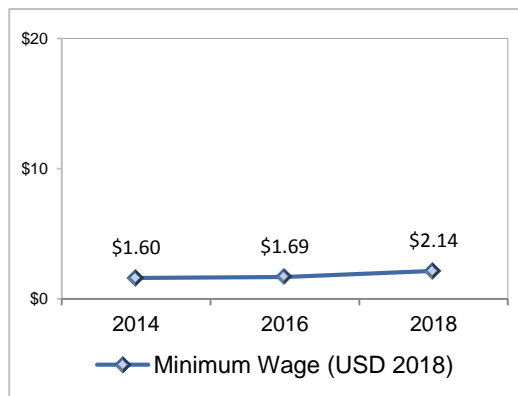
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|--|
| Wage Inflation Rate (Jan 18) | High Skilled 5.1% Low Skilled 23.9% |
| Inflation Rate (Dec 17) | 5.7% |

- Minimum wage differs by age and industry. This minimum wage is for a worker who is 25 years or older and in a non-agricultural industry.

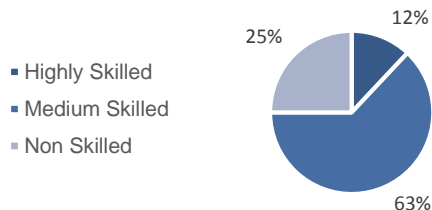
Honduras

Agriculture 29% Services 49% Industry 22%

Labor Market

Workforce (44% Informal Workforce)

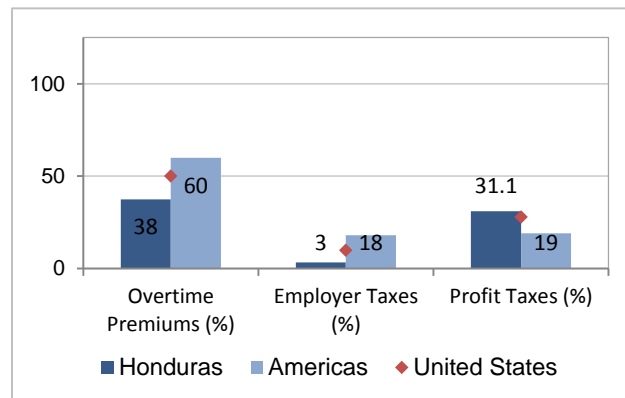
| | |
|------------------------|-----------|
| Total Workforce | 4,312,820 |
| Permanent Employees | 2,139,236 |
| Non Standard Workforce | 1,927,753 |
| Unemployed Workers | 245,831 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Honduras | Regional Ave |
| 1 Year | 4.3 weeks | 1.9 weeks |
| 5 Years | 8.7 weeks | 2.7 weeks |
| Severance Pay By Tenure | | |
| Tenure | Honduras | Regional Ave |
| 1 Year | 4.3 weeks | 4.3 weeks |
| 5 Years | 21.7 weeks | 16.4 weeks |

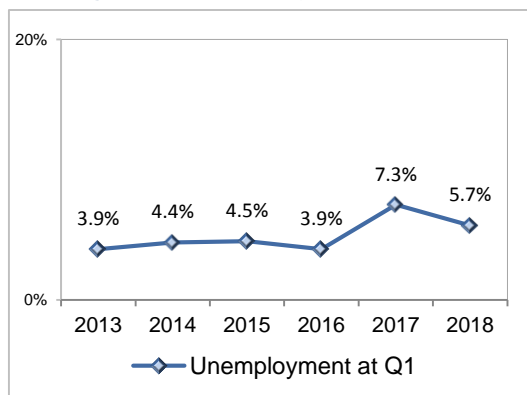
Other Cost Considerations



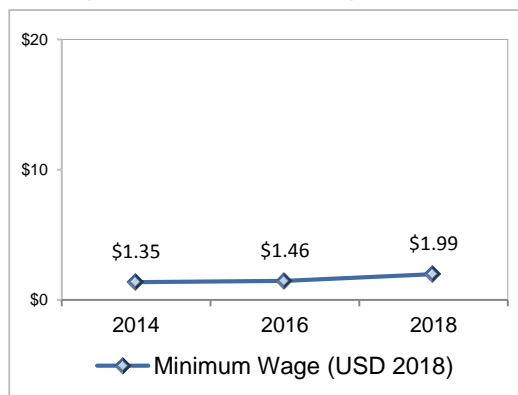
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Minimum wage in Honduras varies by industry and company size. This minimum wage is for a worker in a large manufacturing company.

Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|--------------------------------------|
| Wage Inflation Rate (Jan 18) | High Skilled 2.3% Low Skilled 11% |
| Inflation Rate (Jan 18) | 4.6% |

- A number of technology initiatives have been taking place including, camps for 20,000 young people to participate in robotics, computer programming and hardware design, 'Women Do Tech' and a forum on technology.

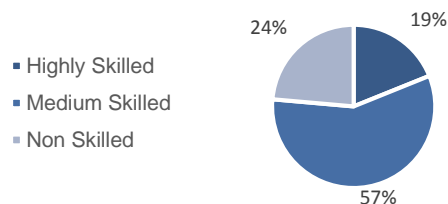
Mexico

Agriculture 13% Services 61% Industry 25%

Labor Market

Workforce (20% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 58,072,763 |
| Permanent Employees | 38,490,395 |
| Non Standard Workforce | 17,782,112 |
| Unemployed Workers | 1,800,256 |

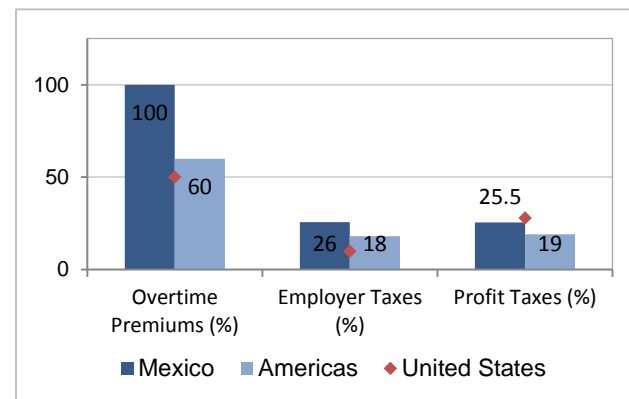


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|---------|--------------|
| Tenure | Mexico | Regional Ave |
| 1 Year | 0 weeks | 1.9 weeks |
| 5 Years | 0 weeks | 2.7 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Mexico | Regional Ave |
| 1 Year | 14.6 weeks | 4.3 weeks |
| 5 Years | 21.4 weeks | 16.4 weeks |

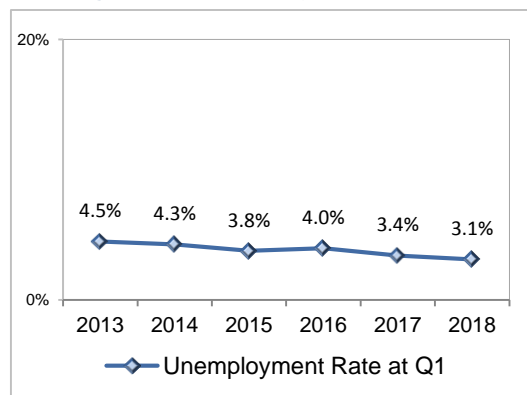
Other Cost Considerations



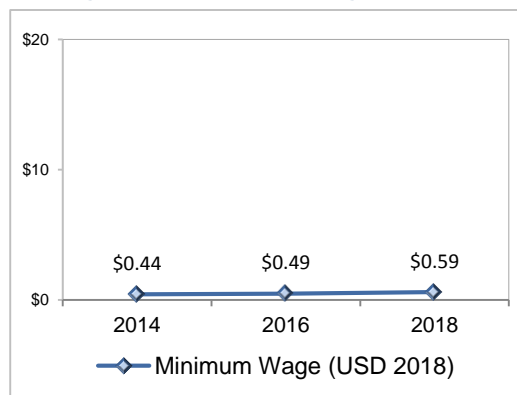
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|-------|
| Wage Inflation Rate (Dec 17) | 0.1% |
| Inflation Rate (Jan 2018) | 5.55% |

- GDP growth is at 0.8% for the year to December 2017.

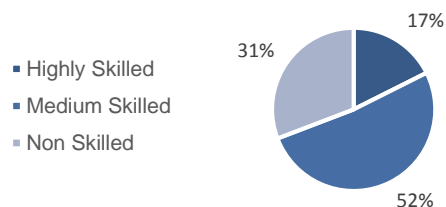
Nicaragua

Agriculture 24% Services 61% Industry 15%

Labor Market

Workforce (44% Informal Workforce)

| | |
|------------------------|-----------|
| Total Workforce | 2,940,014 |
| Permanent Employees | 1,522,269 |
| Non Standard Workforce | 1,235,464 |
| Unemployed Workers | 182,281 |

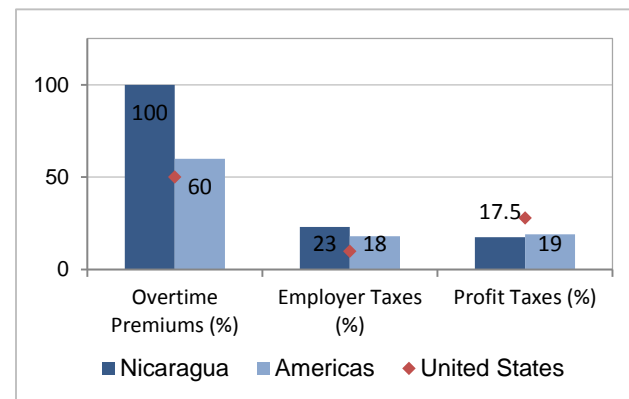


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Nicaragua | Regional Ave |
| 1 Year | 0 weeks | 1.9 weeks |
| 5 Years | 0 weeks | 2.7 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Nicaragua | Regional Ave |
| 1 Year | 4.3 weeks | 4.3 weeks |
| 5 Years | 18.8 weeks | 16.4 weeks |

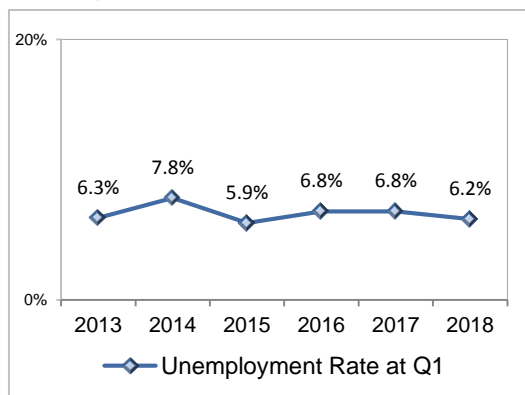
Other Cost Considerations



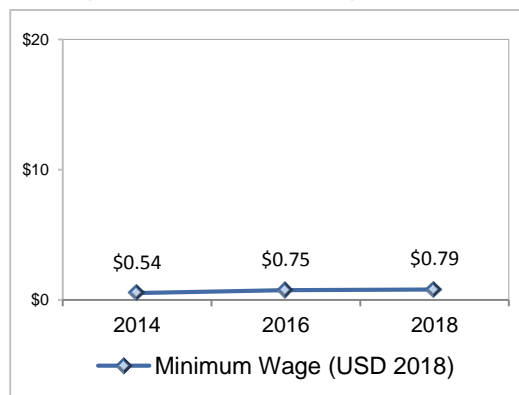
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Minimum wage in Nicaragua varies by industry. This minimum wage is for the manufacturing industry.

Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Jan 18) | 5.4% |

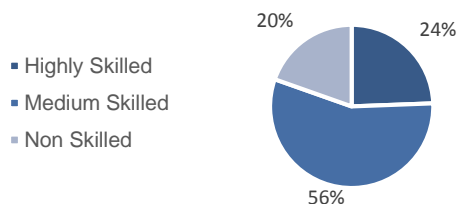
Panama

Agriculture 15% Services 66% Industry 20%

Labor Market

Workforce (12% Informal Workforce)

| | |
|------------------------|-----------|
| Total Workforce | 1,992,351 |
| Permanent Employees | 1,224,668 |
| Non Standard Workforce | 674,042 |
| Unemployed Workers | 93,640 |

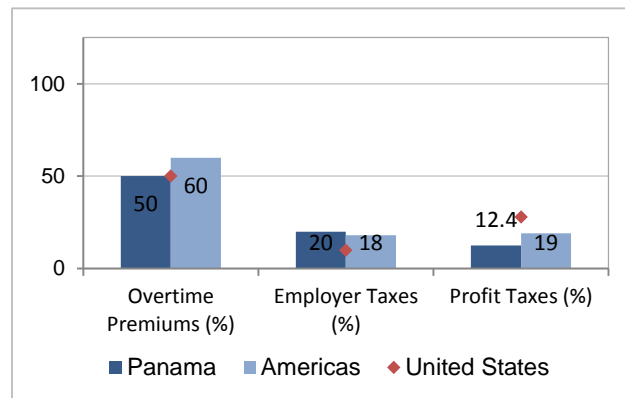


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|---------|--------------|
| Tenure | Panama | Regional Ave |
| 1 Year | 0 weeks | 1.9 weeks |
| 5 Years | 0 weeks | 2.7 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Panama | Regional Ave |
| 1 Year | 3.4 weeks | 4.3 weeks |
| 5 Years | 17.0 weeks | 16.4 weeks |

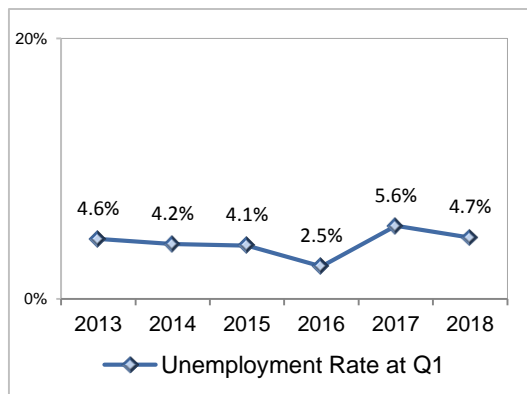
Other Cost Considerations



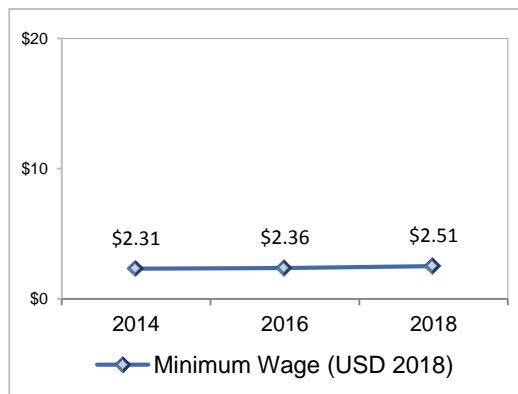
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Minimum wage depends on the size of the company. This minimum wage is for a large company.

Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Dec 17) | 0.5% |

- The most recent minimum wage increases were 6.5% for large enterprises and 4.5% for smaller companies.
- 292,000 employees of large companies currently receive minimum wage.

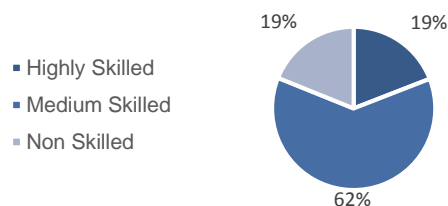
Paraguay

Agriculture 20% Services 61% Industry 20%

Labor Market

Workforce (40% Informal Workforce)

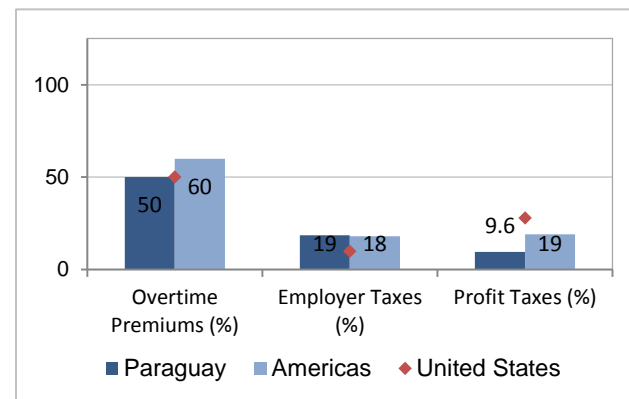
| | |
|------------------------|-----------|
| Total Workforce | 3,385,223 |
| Permanent Employees | 1,751,650 |
| Non Standard Workforce | 1,376,296 |
| Unemployed Workers | 257,277 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Paraguay | Regional Ave |
| 1 Year | 7.5 weeks | 1.9 weeks |
| 5 Years | 10.0 weeks | 2.7 weeks |
| Severance Pay By Tenure | | |
| Tenure | Paraguay | Regional Ave |
| 1 Year | 2.1 weeks | 4.3 weeks |
| 5 Years | 10.7 weeks | 16.4 weeks |

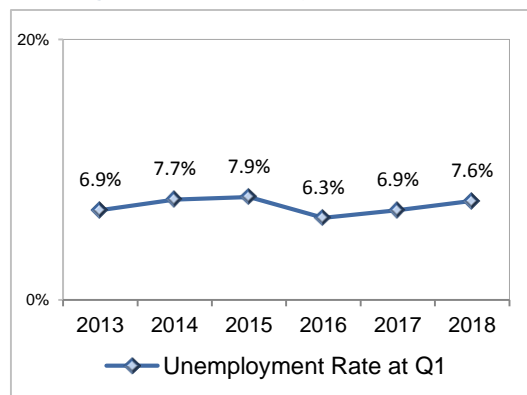
Other Cost Considerations



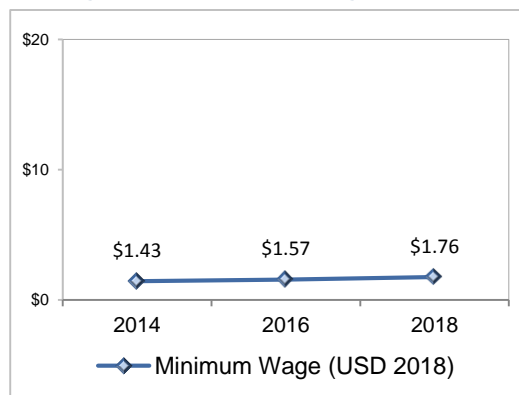
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Jan 18) | 4.7% |

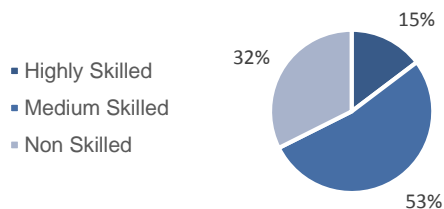
Peru

Agriculture 24% Services 58% Industry 17%

Labor Market

Workforce (31% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 17,902,747 |
| Permanent Employees | 7,551,110 |
| Non Standard Workforce | 9,044,736 |
| Unemployed Workers | 1,306,901 |

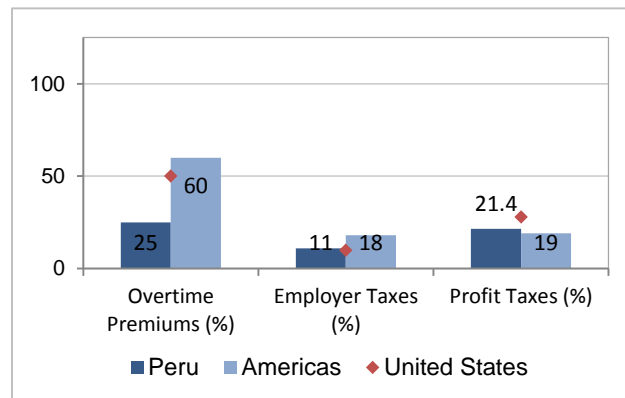


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|---------|--------------|
| Tenure | Peru | Regional Ave |
| 1 Year | 0 weeks | 1.9 weeks |
| 5 Years | 0 weeks | 2.7 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Peru | Regional Ave |
| 1 Year | 2.9 weeks | 4.3 weeks |
| 5 Years | 14.3 weeks | 16.4 weeks |

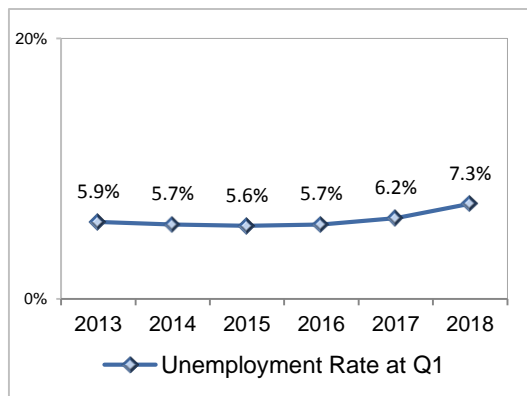
Other Cost Considerations



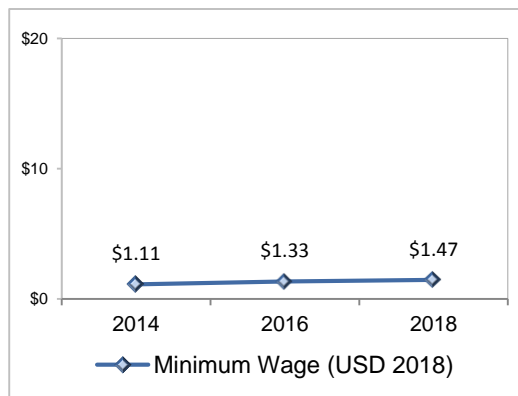
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|---|
| Wage Inflation Rate (Jan 18) | Highly Skilled 2.9% Low Skilled 4.3% |
| Inflation Rate (Jan 18) | 1.3% |

- A recent ManpowerGroup study found that 74% of 18-34 year olds in Peru apply for jobs using their smartphones.
- During the second quarter of 2017, 143,600 jobs were created. Approximately three quarters of these were in the services sector. The job growth was in micro enterprises (businesses with fewer than 11 employees).

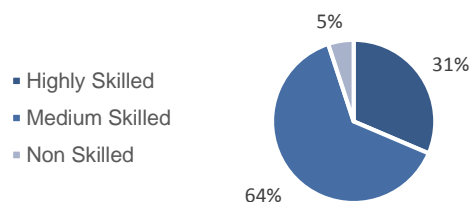
Puerto Rico

Agriculture 2% Services 81% Industry 18%

Labor Market

Workforce (40% Informal Workforce)

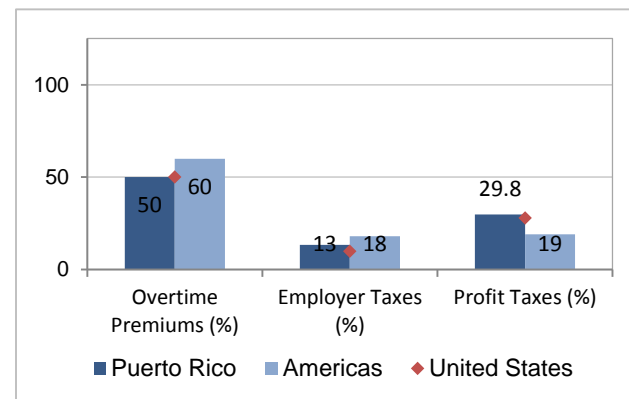
| | |
|------------------------|------------------|
| Total Workforce | 1,164,521 |
| Permanent Employees | 738,735 |
| Non Standard Workforce | 304,676 |
| Unemployed Workers | 121,110 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-------------|--------------|
| Tenure | Puerto Rico | Regional Ave |
| 1 Year | 0 weeks | 1.9 weeks |
| 5 Years | 0 weeks | 2.7 weeks |
| Severance Pay By Tenure | | |
| Tenure | Puerto Rico | Regional Ave |
| 1 Year | 0 weeks | 4.3 weeks |
| 5 Years | 0 weeks | 16.4 weeks |

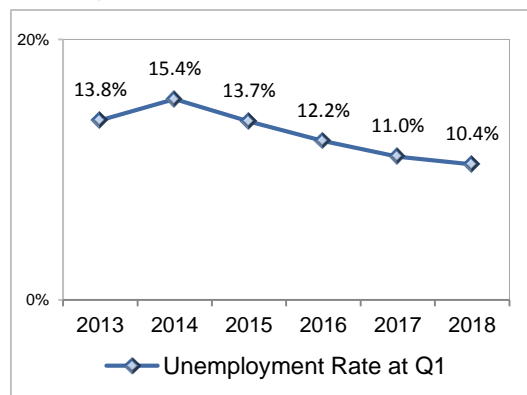
Other Cost Considerations



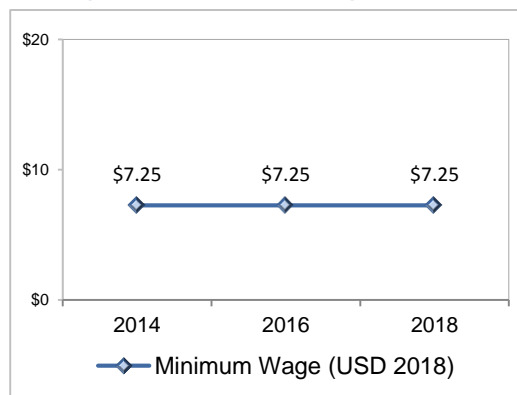
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Aug 17) | 2.0% |

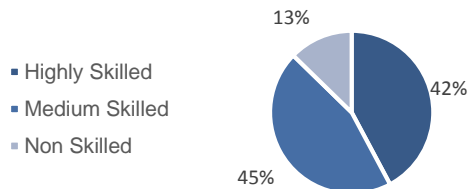
- The Labor Department has requested a consultation to consider increasing the minimum wage in the public sector in Puerto Rico in an effort to drive socio-economic development. The proposal is an increase in the minimum wage to \$8.25 per hour. It is expected to impact ~6,500 employees and cost \$10.9 million.

United States Agriculture 2% Services 81% Industry 17%

Labor Market

Workforce (5% Informal Workforce)

| | |
|------------------------|--------------------|
| Total Workforce | 161,115,000 |
| Permanent Employees | 139,212,866 |
| Non Standard Workforce | 15,296,419 |
| Unemployed Workers | 6,605,715 |

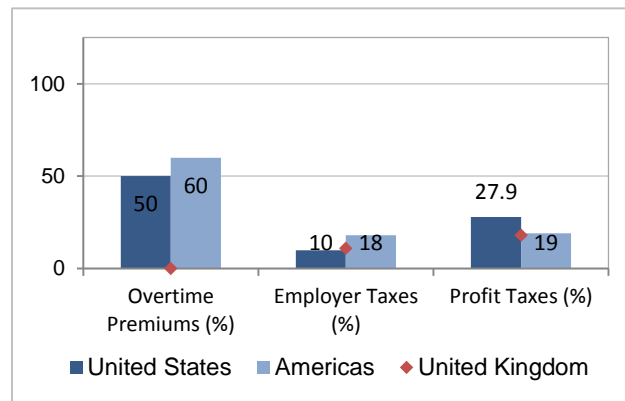


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|---------------|--------------|
| Tenure | United States | Regional Ave |
| 1 Year | 0 weeks | 1.9 weeks |
| 5 Years | 0 weeks | 2.7 weeks |

| Severance Pay By Tenure | | |
|-------------------------|---------------|--------------|
| Tenure | United States | Regional Ave |
| 1 Year | 0 weeks | 4.3 weeks |
| 5 Years | 0 weeks | 16.4 weeks |

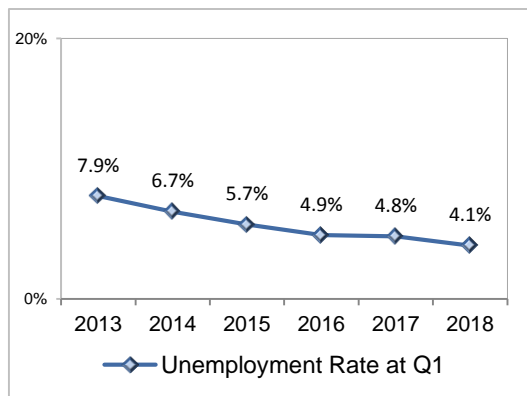
Other Cost Considerations



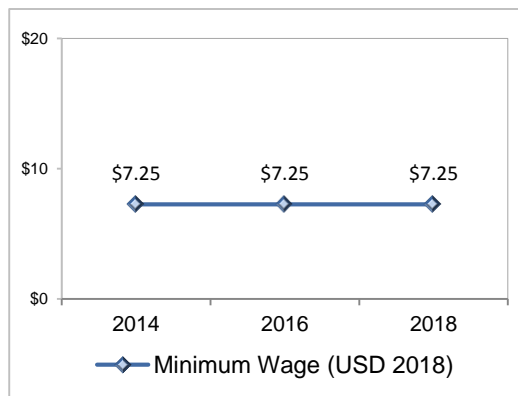
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Although this is the Federal Minimum wage, many states and metropolitan areas have implemented higher minimum wages.

Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Jan 18) | 2.9% |
| Inflation Rate | 2.1% |

- The Labor Department has reported that the US added 200,000 jobs during January and the initial jobless claims in mid-February were one of the lowest since the end of 2007-2009 Recession.
- Average wages in the private sector are \$26.74 which is an increase of 75 cents for the year.

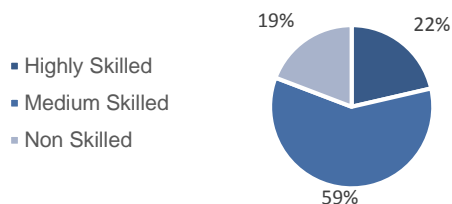
Uruguay

Agriculture 9% Services 71% Industry 21%

Labor Market

Workforce (12% Informal Workforce)

| | |
|------------------------|-----------|
| Total Workforce | 1,769,207 |
| Permanent Employees | 1,187,582 |
| Non Standard Workforce | 459,550 |
| Unemployed Workers | 122,075 |

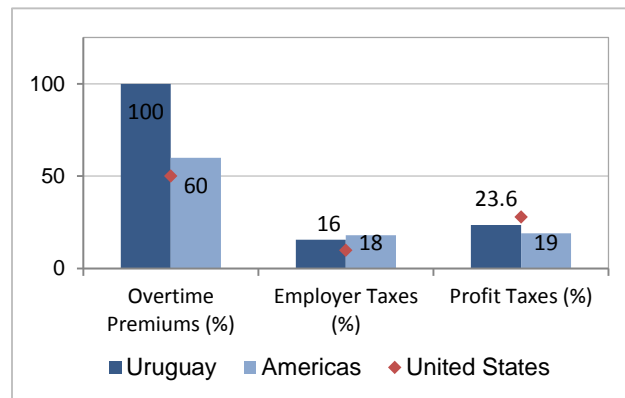


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|---------|--------------|
| Tenure | Uruguay | Regional Ave |
| 1 Year | 0 weeks | 1.9 weeks |
| 5 Years | 0 weeks | 2.7 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Uruguay | Regional Ave |
| 1 Year | 5.2 weeks | 4.3 weeks |
| 5 Years | 26.0 weeks | 16.4 weeks |

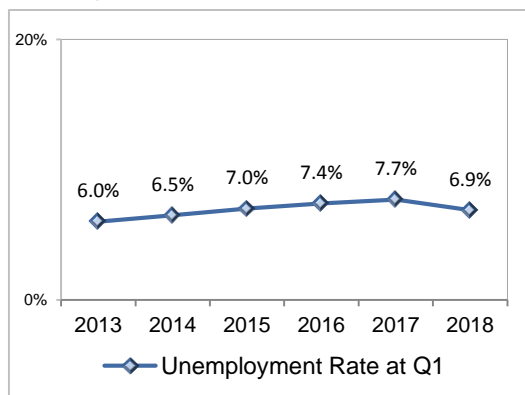
Other Cost Considerations



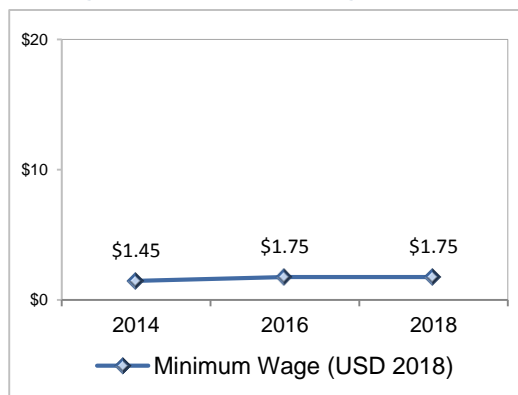
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Dec 17) | 8.0% |
| Inflation Rate (Jan 18) | 6.7% |

- Economic growth in Uruguay was estimated to be 3% in 2017.

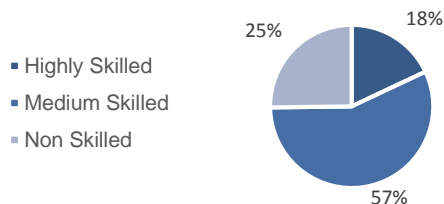
Venezuela

Agriculture 12% Services 61% Industry 27%

Labor Market

Workforce (40% Informal Workforce)

| | |
|------------------------|------------|
| Total Workforce | 14,732,929 |
| Permanent Employees | 8,781,724 |
| Non Standard Workforce | 4,875,701 |
| Unemployed Workers | 1,075,504 |

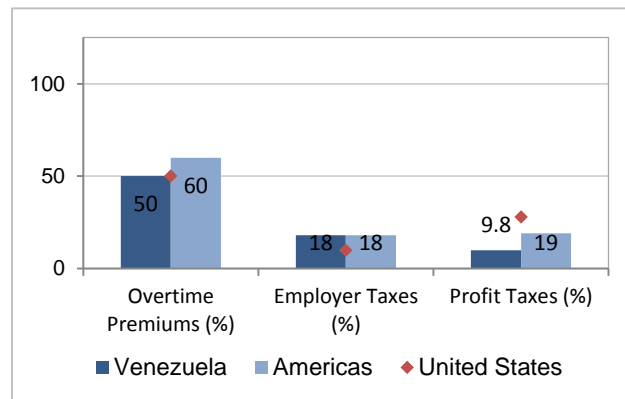


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|---------------------------------------|--------------|
| Tenure | Venezuela | Regional Ave |
| 1 Year | Redundancy dismissal not permissible. | 1.9 weeks |
| 5 Years | Redundancy dismissal not permissible. | 2.7 weeks |

| Severance Pay By Tenure | | |
|-------------------------|---------------------------------------|--------------|
| Tenure | Venezuela | Regional Ave |
| 1 Year | Redundancy dismissal not permissible. | 4.3 weeks |
| 5 Years | Redundancy dismissal not permissible. | 16.4 weeks |

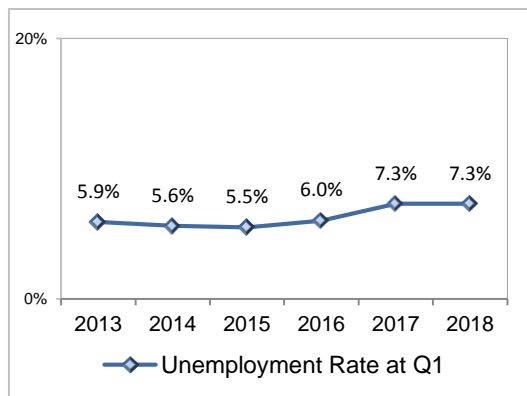
Other Cost Considerations



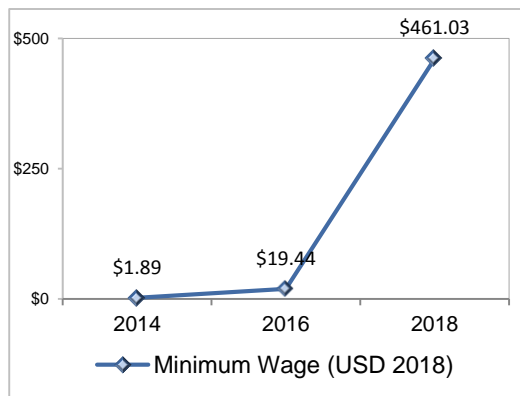
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Two exchange rates in Venezuela. Based on the black market exchange rate (available to the people) the monthly minimum wage is approximately \$1.

Nominal Wage Inflation and Inflation

| Year on Year | |
|---------------------------|--------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Jan 2018) | 4,068% |

- Inflation is expected to hit 13,000% during 2018.
- Forbes reports that at least half a million Venezuelans have left in the past year.



Detailed Country Analysis: Europe, Middle East, Africa

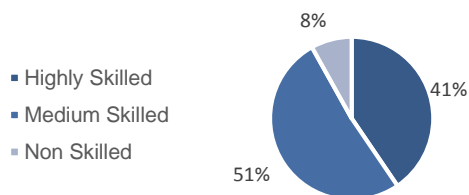
Austria

Agriculture 5% Services 69% Industry 26%

Labor Market

Workforce (6% Informal Workforce)

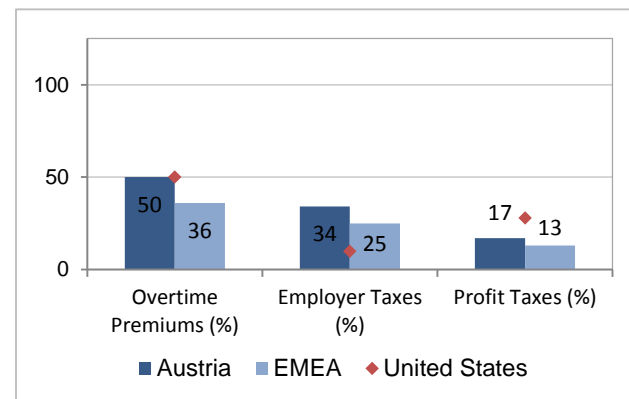
| | |
|------------------------|------------------|
| Total Workforce | 4,555,300 |
| Permanent Employees | 3,607,228 |
| Non Standard Workforce | 515,318 |
| Unemployed Workers | 432,754 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Austria | Regional Ave |
| 1 Year | 2.0 weeks | 4.6 weeks |
| 5 Years | 2.0 weeks | 7.0 weeks |
| Severance Pay By Tenure | | |
| Tenure | Austria | Regional Ave |
| 1 Year | 0 weeks | 2.5 weeks |
| 5 Years | 0 weeks | 8.5 weeks |

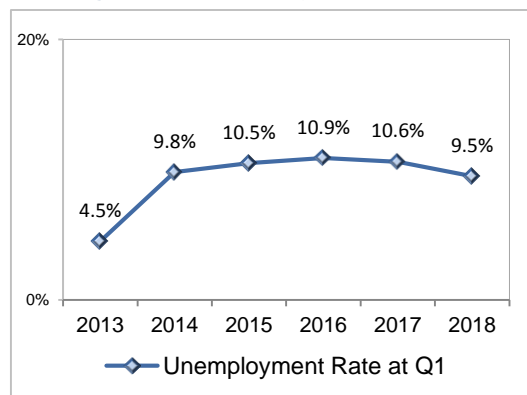
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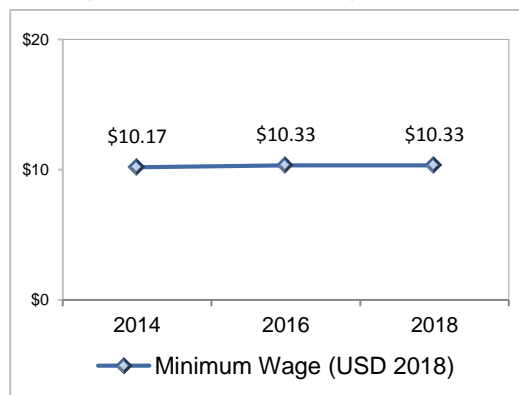
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Minimum wage is determined by industry through collective bargaining. These wages are within the Retail Sector – the next indexation is under debate.

Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|-------|
| Wage Inflation Rate (Jan 18) | 1.65% |
| Inflation Rate (Jan 18) | 1.8% |

- A number of new strategies including wage subsidies for employers have been implemented to help the long term unemployed back into work.
- Recent legislation to abolish the different treatment of white and blue collar workers especially with regard to notice periods and sick leave will have a transitional period.

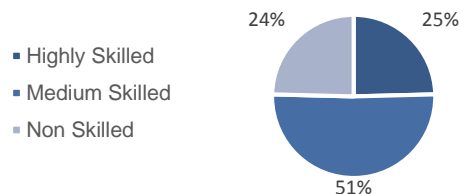
Bahrain

Agriculture 1% Services 66% Industry 33%

Labor Market

Workforce (19% Informal Workforce)

| | |
|------------------------|----------------|
| Total Workforce | 864,918 |
| Permanent Employees | 826,339 |
| Non Standard Workforce | 28,200 |
| Unemployed Workers | 10,379 |

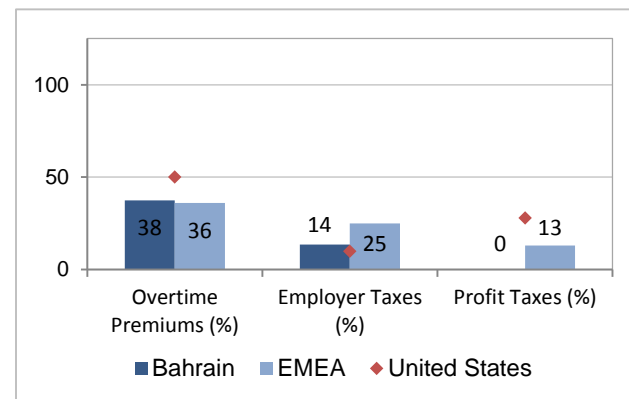


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Bahrain | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 4.3 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Bahrain | Regional Ave |
| 1 Year | 2.2 weeks | 2.5 weeks |
| 5 Years | 60.0 weeks | 8.5 weeks |

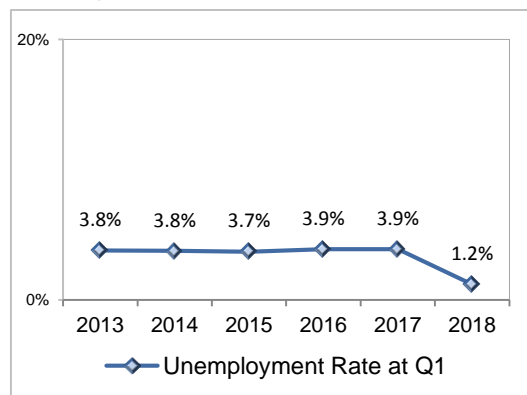
Other Cost Considerations



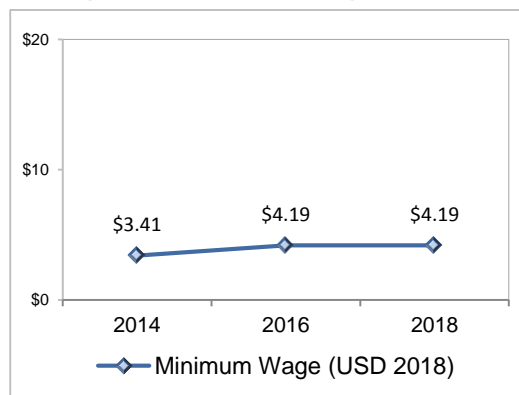
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Jan 18) | 2.8% |

- The Gulf Cooperation Council has projected that salary growth in Bahrain will be at 4% in 2018
- 2017 has been reported as a record year for investment in Bahrain by the Economics Development Board with \$733 million invested by 71 new companies. This investment is expected to create over 2,800 jobs. Just over half of the investment was in ICT.

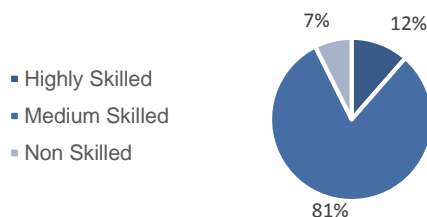
Belarus

Agriculture 10% Services 58% Industry 32%

Labor Market

Workforce (41% Informal Workforce)

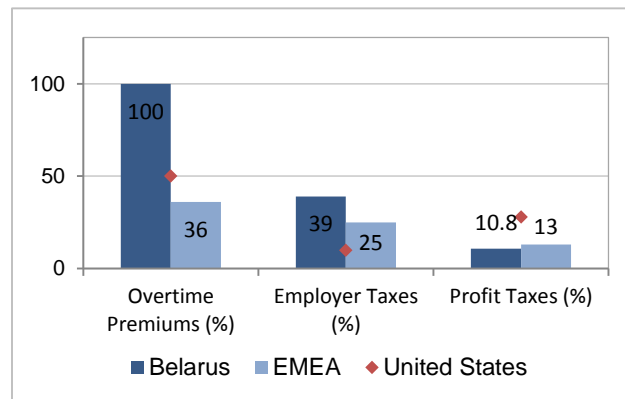
| | |
|------------------------|-----------|
| Total Workforce | 5,052,049 |
| Permanent Employees | 4,855,878 |
| Non Standard Workforce | 170,911 |
| Unemployed Workers | 25,260 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Belarus | Regional Ave |
| 1 Year | 8.7 weeks | 4.6 weeks |
| 5 Years | 8.7 weeks | 7.0 weeks |
| Severance Pay By Tenure | | |
| Tenure | Belarus | Regional Ave |
| 1 Year | 13.0 weeks | 2.5 weeks |
| 5 Years | 13.0 weeks | 8.5 weeks |

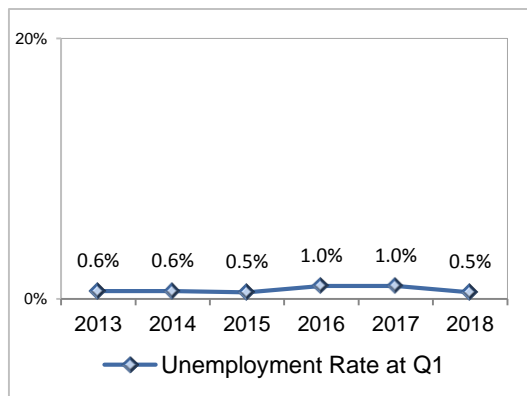
Other Cost Considerations



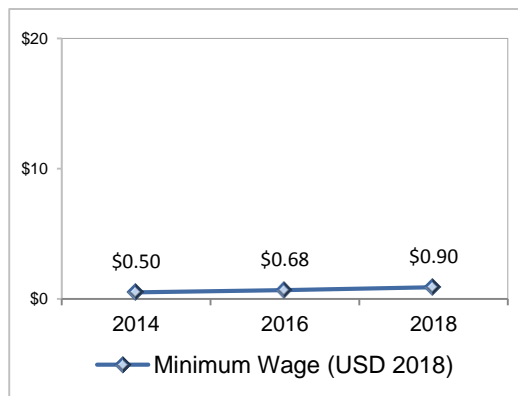
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|-------|
| Wage Inflation Rate (Nov 17) | 16.6% |
| Inflation Rate (Jan 18) | 4.5% |

- Gross average earnings in January were 859 BYN (approx. 440 USD)
- GDP has increased by 4.6% in the year to January 2018. This has been lead by consumer demand due in part to the wage increases.
- President Alexander Lukashenko has recently abolished a law which forced people who worked less then half a year to pay social tax. He wants to improve the work chances of citizens by improving retraining opportunities and encouraging better employment.

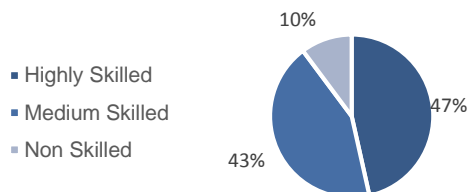
Belgium

Agriculture 1% Services 78% Industry 21%

Labor Market

Workforce (6% Informal Workforce)

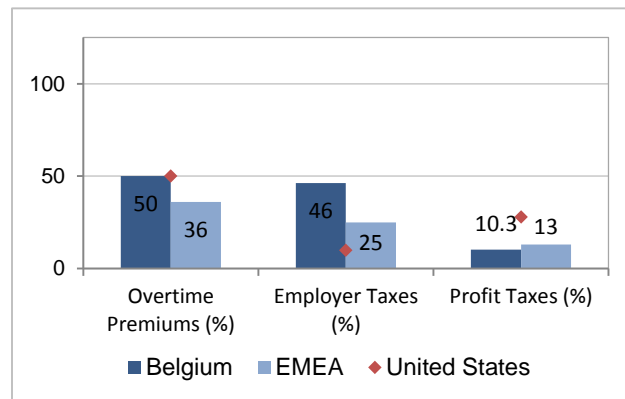
| | |
|------------------------|------------------|
| Total Workforce | 5,013,000 |
| Permanent Employees | 3,997,301 |
| Non Standard Workforce | 699,880 |
| Unemployed Workers | 315,819 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Belgium | Regional Ave |
| 1 Year | 8.0 weeks | 4.6 weeks |
| 5 Years | 18.0 weeks | 7.0 weeks |
| Severance Pay By Tenure | | |
| Tenure | Belgium | Regional Ave |
| 1 Year | 0 weeks | 2.5 weeks |
| 5 Years | 0 weeks | 8.5 weeks |

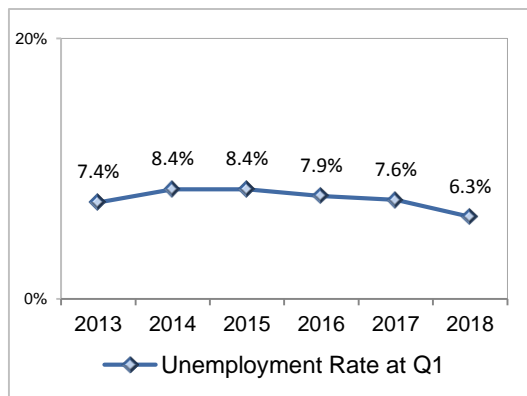
Other Cost Considerations



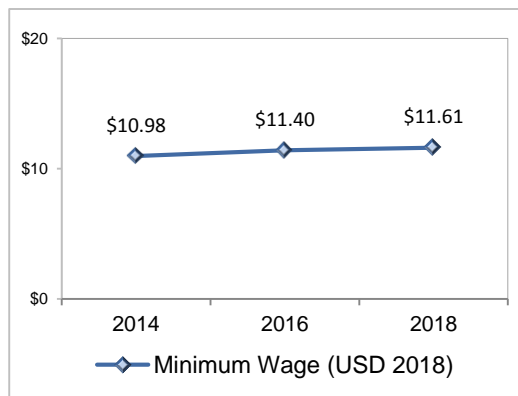
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- If no collective bargaining agreement, a national minimum wage applies. This wage is for 22 years and older with > 6 months experience.

Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------------|------|
| Wage Inflation Rate (Sept 17) | 3.5% |
| Inflation Rate (Feb 18) | 1.5% |

- The Belgium Federation for Commerce and Services (Comeos) has estimated that 14,500 potential jobs were lost in the e-commerce industry due to strict night work rules. The government is implementing changes to make night work less strictly regulated.
- Recent protests over pension reform.

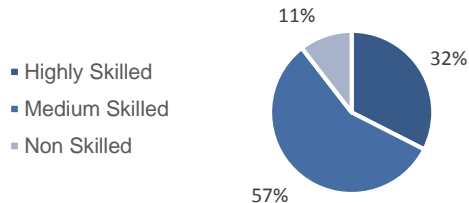
Bulgaria

Agriculture 7% Services 64% Industry 29%

Labor Market

Workforce (6% Informal Workforce)

| | |
|------------------------|------------------|
| Total Workforce | 3,425,200 |
| Permanent Employees | 2,810,623 |
| Non Standard Workforce | 372,415 |
| Unemployed Workers | 242,162 |

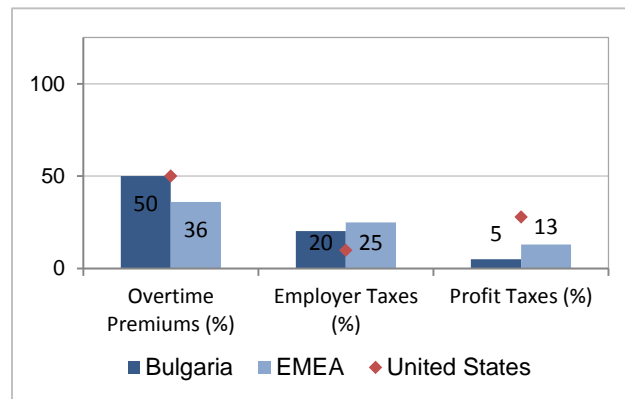


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Bulgaria | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 4.3 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Bulgaria | Regional Ave |
| 1 Year | 4.3 weeks | 2.5 weeks |
| 5 Years | 4.3 weeks | 8.5 weeks |

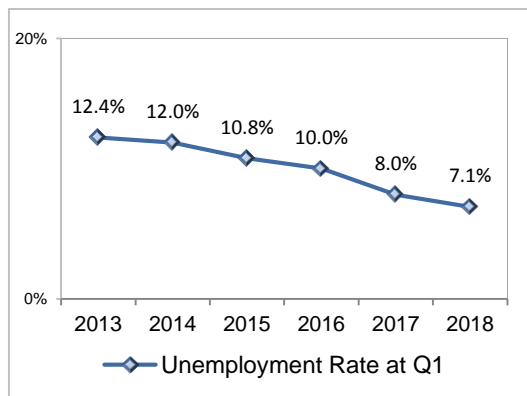
Other Cost Considerations



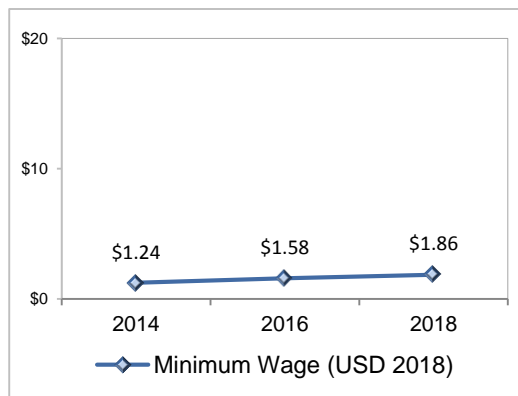
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|-------|
| Wage Inflation Rate (Dec 17) | 10.9% |
| Inflation Rate (Jan 18) | 1.8% |

- The latest minimum wage rise is expected to affect 417,000 workers.
- A recent survey by Colliers International showed that 40% of producers are struggling to get the skilled workers that this has limited their growth.
- The Bulgarian Government is enacting laws to help increase skilled foreign workers. While this has been welcomed by business groups, unions are opposing it.

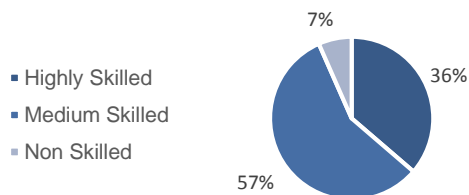
Croatia

Agriculture 9% Services 64% Industry 27%

Labor Market

Workforce (27% Informal Workforce)

| | |
|------------------------|-----------|
| Total Workforce | 1,849,400 |
| Permanent Employees | 1,398,069 |
| Non Standard Workforce | 225,704 |
| Unemployed Workers | 225,627 |

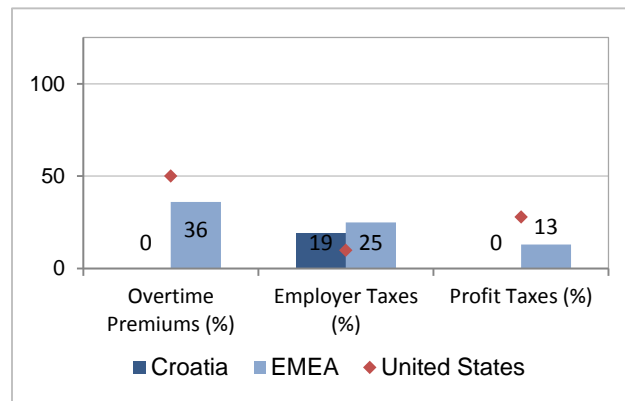


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Croatia | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 8.7 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Croatia | Regional Ave |
| 1 Year | 0 weeks | 2.5 weeks |
| 5 Years | 7.2 weeks | 8.5 weeks |

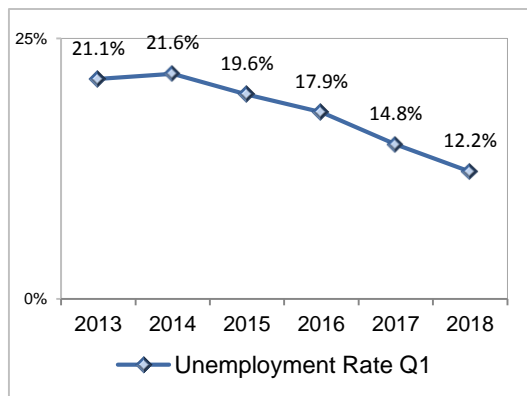
Other Cost Considerations



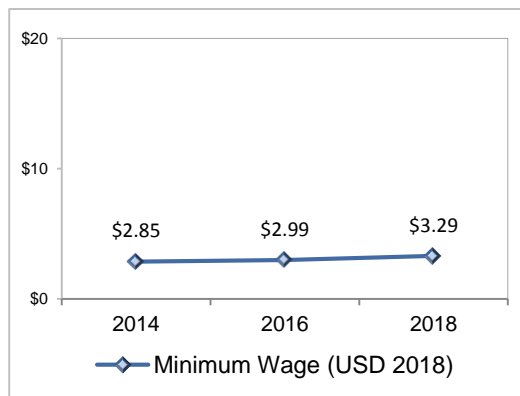
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Public sector workers have a much higher minimum wage. Public sector minimum wages are approximately \$5.19

Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Nov 17) | 6.6% |
| Inflation Rate | 1.2% |

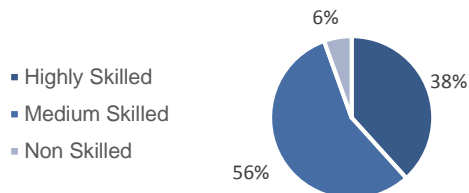
- Approximately 76,000 workers receive the minimum wage.
- The trade unions have claimed that the minimum wage should be increased to a level that is half of the average wage but even with the latest increase it represents approximately 43%.

Czech Republic Agriculture 3% Services 61% Industry 37%

Labor Market

Workforce (11% Informal Workforce)

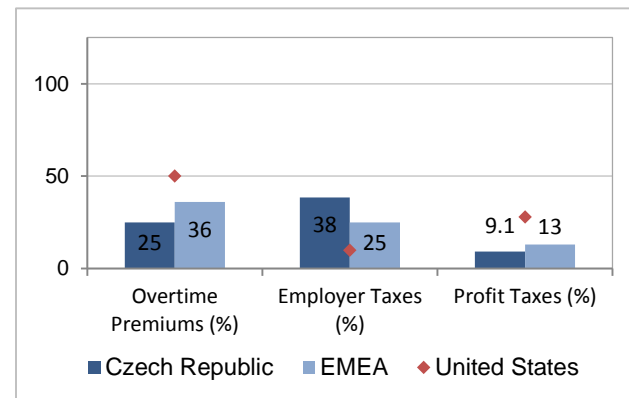
| Total Workforce | 5,407,000 |
|------------------------|-----------|
| Permanent Employees | 4,302,393 |
| Non Standard Workforce | 893,734 |
| Unemployed Workers | 210,873 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|----------------|--------------|
| Tenure | Czech Republic | Regional Ave |
| 1 Year | 8.7 weeks | 4.6 weeks |
| 5 Years | 8.7 weeks | 7.0 weeks |
| Severance Pay By Tenure | | |
| Tenure | Czech Republic | Regional Ave |
| 1 Year | 8.7 weeks | 2.5 weeks |
| 5 Years | 13.0 weeks | 8.5 weeks |

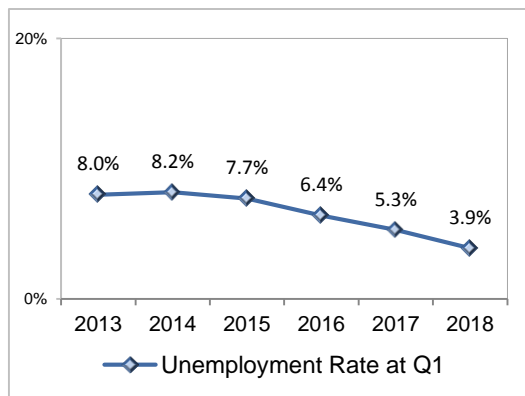
Other Cost Considerations



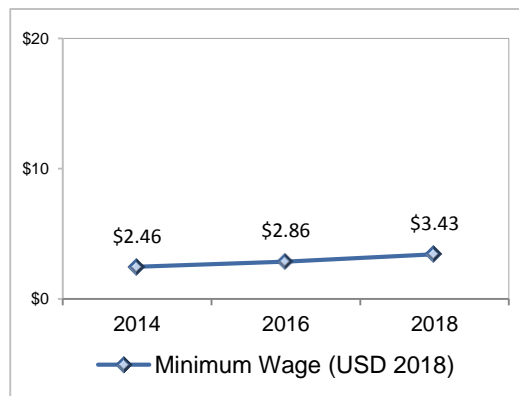
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------------|------|
| Wage Inflation Rate (Sept 17) | 4.2% |
| Inflation Rate (Jan 18) | 2.2% |

- According to Eurofound, the Czech Republic had been employing workers from the Ukraine, Bulgaria and Romania. However, employers are now tending to recruit skilled / trained workers from Greece, Italy and Spain. Although there is an abundance of talent, the wage expectations are much higher from these countries.
- Recent 10% salary increase in the public sector and 15% for teachers.

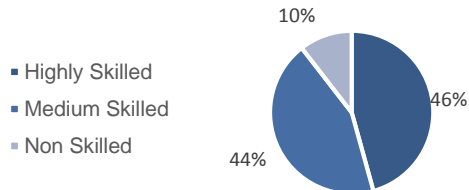
Denmark

Agriculture 2% Services 78% Industry 19%

Labor Market

Workforce (5% Informal Workforce)

| | |
|------------------------|------------------|
| Total Workforce | 3,015,100 |
| Permanent Employees | 2,625,615 |
| Non Standard Workforce | 262,850 |
| Unemployed Workers | 126,634 |

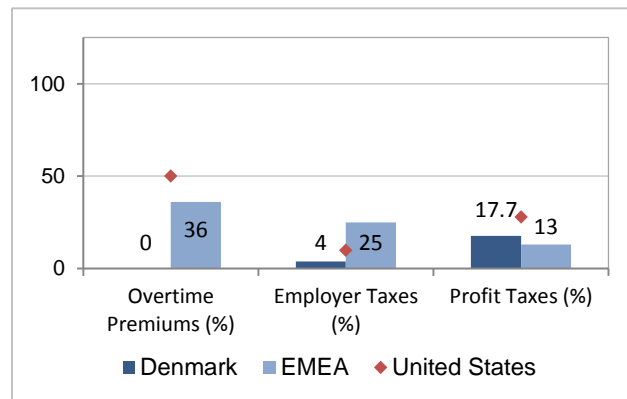


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|---------|--------------|
| Tenure | Denmark | Regional Ave |
| 1 Year | 0 weeks | 4.6 weeks |
| 5 Years | 0 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|---------|--------------|
| Tenure | Denmark | Regional Ave |
| 1 Year | 0 weeks | 2.5 weeks |
| 5 Years | 0 weeks | 8.5 weeks |

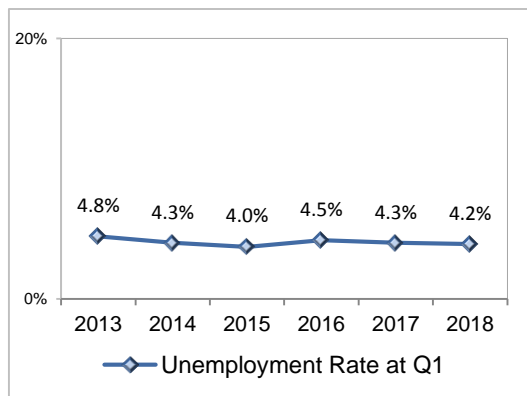
Other Cost Considerations



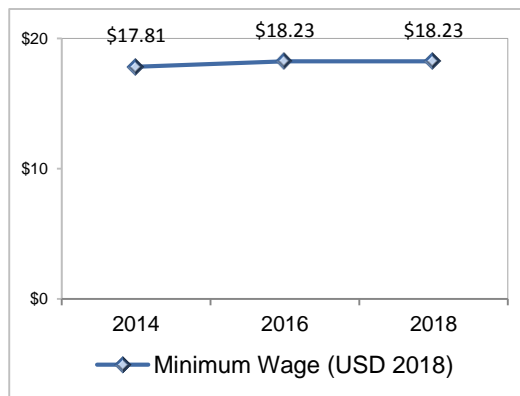
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|-----------------------------------|
| Wage Inflation Rate | 2% averaged over the past 5 years |
| Inflation Rate (Jan 18) | 0.7% |

- The Confederation of Danish Industry has reported that nearly 40% of its companies were suffering from a shortage of skilled workers. It is calling on the government to attract foreign workers.

- Minimum wage is determined by Collective Bargaining Agreements. This is the average minimum across the private and public sectors.

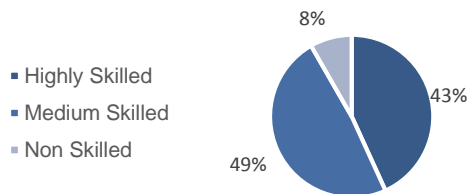
Estonia

Agriculture 4% Services 67% Industry 29%

Labor Market

Workforce (6% Informal Workforce)

| | |
|------------------------|----------------|
| Total Workforce | 703,100 |
| Permanent Employees | 601,915 |
| Non Standard Workforce | 63,920 |
| Unemployed Workers | 37,264 |

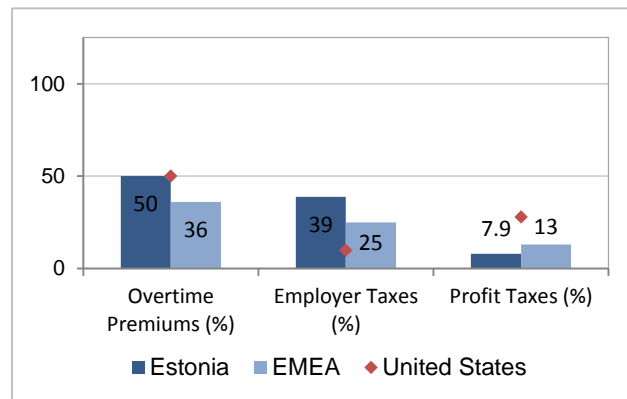


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Estonia | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 8.6 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Estonia | Regional Ave |
| 1 Year | 4.3 weeks | 2.5 weeks |
| 5 Years | 4.3 weeks | 8.5 weeks |

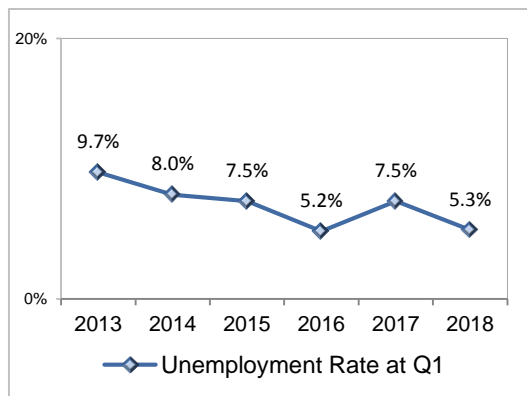
Other Cost Considerations



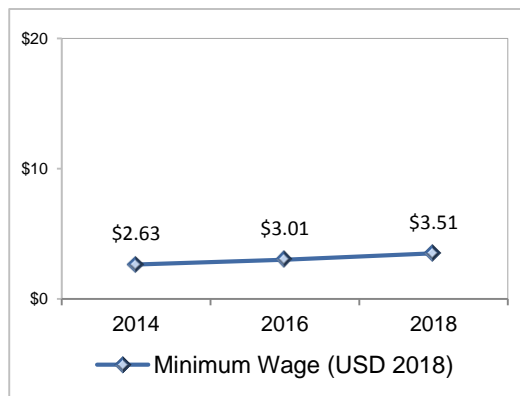
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------------|------|
| Wage Inflation Rate (Sept 17) | 7.3% |
| Inflation Rate (Jan 18) | 3.5% |

- Youth unemployment in Estonia is 6.8%. To further reduce this rate, the government has announced a relaxation in the conditions for employers to receive a subsidy for hiring a person between 17-29 years.
- Over 4,000 people are employed in Estonian start ups. The employment taxes collected from start ups increased by almost a third in 2017 compared to 2016.

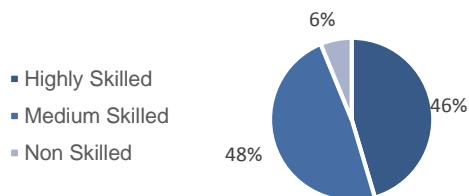
Finland

Agriculture 4% Services 74% Industry 22%

Labor Market

Workforce (6% Informal Workforce)

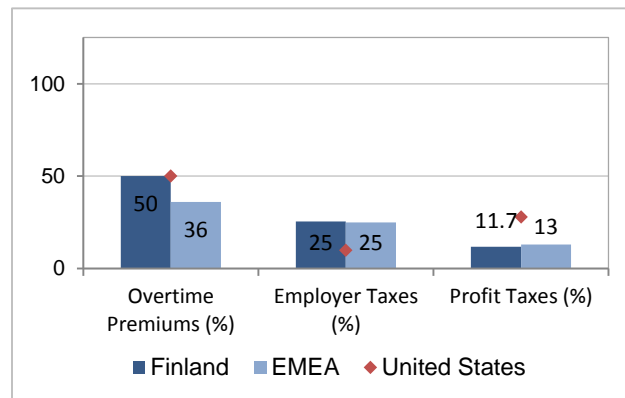
| | |
|------------------------|------------------|
| Total Workforce | 2,714,100 |
| Permanent Employees | 2,138,059 |
| Non Standard Workforce | 348,056 |
| Unemployed Workers | 227,984 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Finland | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 8.7 weeks | 7.0 weeks |
| Severance Pay By Tenure | | |
| Tenure | Finland | Regional Ave |
| 1 Year | 0 weeks | 2.5 weeks |
| 5 Years | 0 weeks | 8.5 weeks |

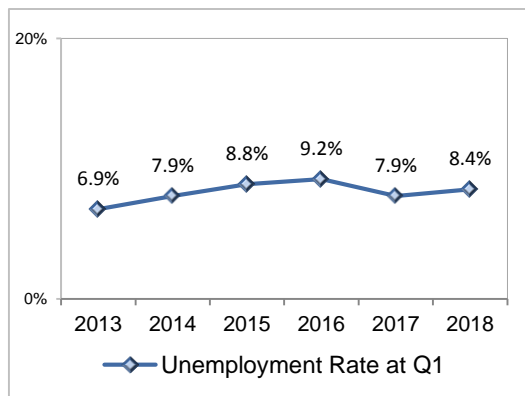
Other Cost Considerations



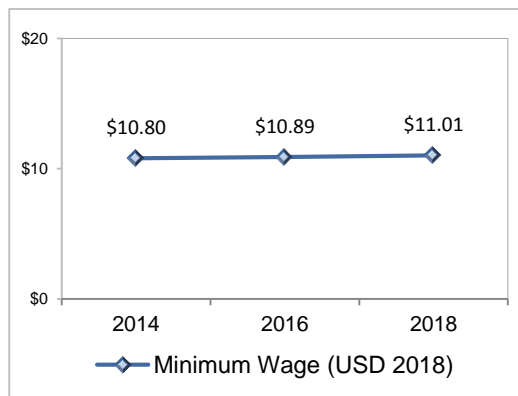
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Minimum wage is determined by Collective Bargaining Agreements. This is the metal work level 1 agreed wage.

Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Dec 18) | 0.2% |
| Inflation Rate (Jan 18) | 0.8% |

- According to Statistics Finland, wage inflation in the private sector was approximately 0.6% for the year but this was offset by a fall in public sector wages of between 0.8% and 1%.
- Plans for redundancies have recently been announced by companies including Nokia, Kone and Nordea.
- Proposals for regulation of zero-hour contracts.

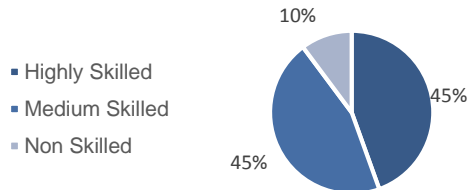
France

Agriculture 3% Services 77% Industry 21%

Labor Market

Workforce (5% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 29,768,200 |
| Permanent Employees | 23,891,689 |
| Non Standard Workforce | 3,227,141 |
| Unemployed Workers | 2,649,370 |

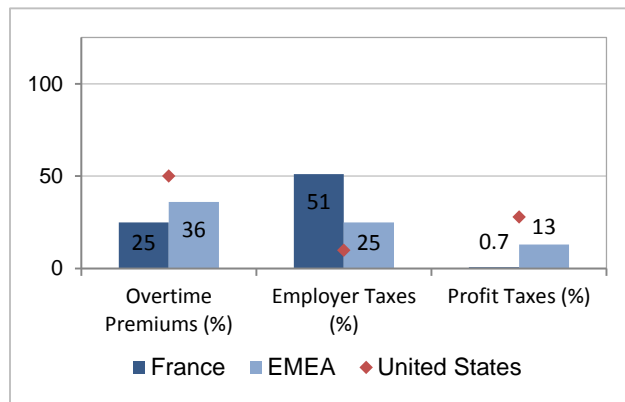


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | France | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 8.7 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | France | Regional Ave |
| 1 Year | 0.9 weeks | 2.5 weeks |
| 5 Years | 4.3 weeks | 8.5 weeks |

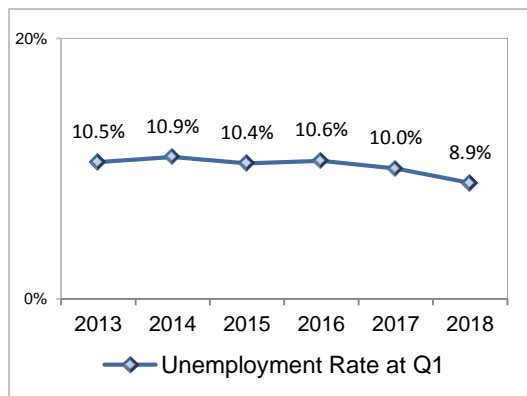
Other Cost Considerations



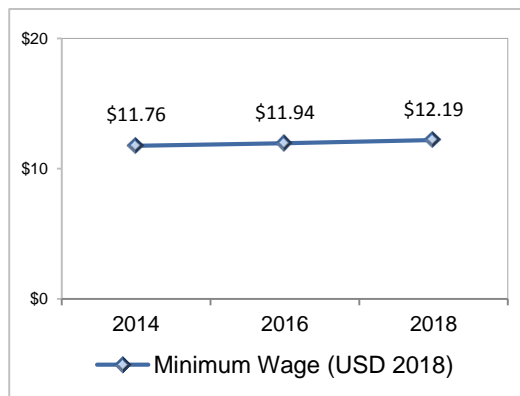
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------------|------|
| Wage Inflation Rate (Sept 18) | 0.3% |
| Inflation Rate (Jan 18) | 1.2% |

- Youth unemployment is at 22.3% (Dec 17).
- In the last quarter of 2017, more than 50,000 new jobs were added in the private sector (mainly within services). Almost 235,000 jobs were created in 2017.
- Skills shortages exist in manufacturing, IT and engineering.

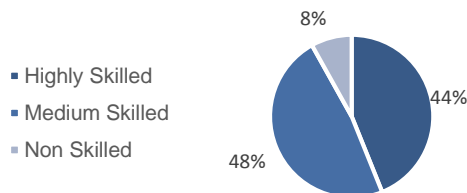
Germany

Agriculture 1% Services 71% Industry 28%

Labor Market

Workforce (5% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 43,662,200 |
| Permanent Employees | 37,755,054 |
| Non Standard Workforce | 4,335,307 |
| Unemployed Workers | 1,571,839 |

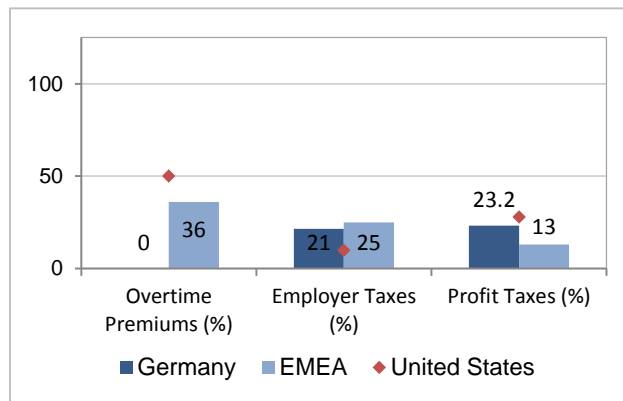


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Germany | Regional Ave |
| 1 Year | 4.0 weeks | 4.6 weeks |
| 5 Years | 8.7 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Germany | Regional Ave |
| 1 Year | 2.2 weeks | 2.5 weeks |
| 5 Years | 10.8 weeks | 8.5 weeks |

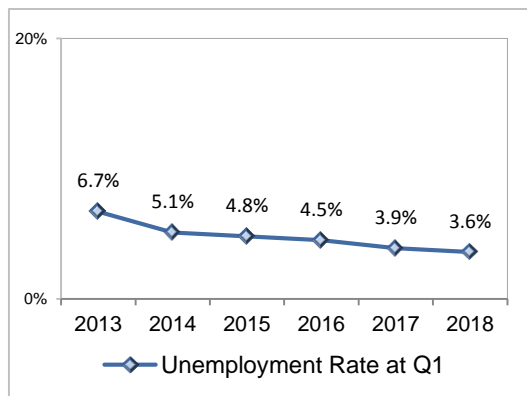
Other Cost Considerations



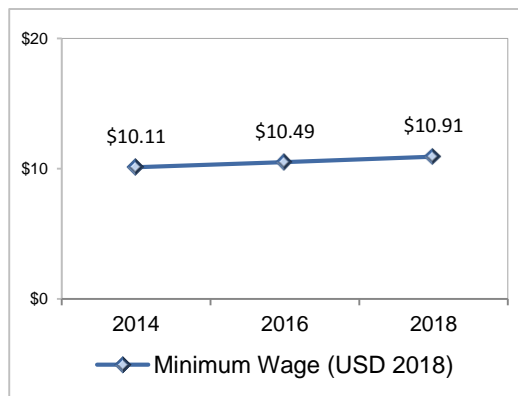
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- This is the national minimum wage, however higher minimum wages are often set by Collective Agreements and are enforceable by law.

Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------------|------|
| Wage Inflation Rate (Sept 17) | 0.7% |
| Inflation Rate (Feb 18) | 1.4% |

- The IG Metall, which is Germany's largest metalworker's union representing 3.9 million workers has agreed a pay increase of 6% and also the right for workers to temporarily reduce their working hours to 28 per week for up to two years and then return to full time work. This would give the worker more flexibility to look after children or aging relatives etc.
- Proposals to limit some labor restrictions for high earners to make Germany more competitive (especially in the finance industry) post BREXIT.;

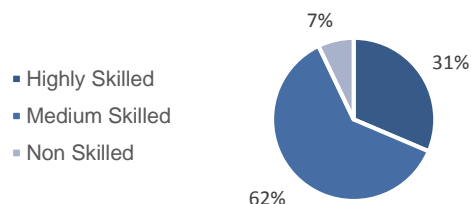
Greece

Agriculture 13% Services 72% Industry 15%

Labor Market

Workforce (11% Informal Workforce)

| | |
|------------------------|------------------|
| Total Workforce | 4,793,800 |
| Permanent Employees | 2,514,027 |
| Non Standard Workforce | 1,277,869 |
| Unemployed Workers | 1,001,904 |

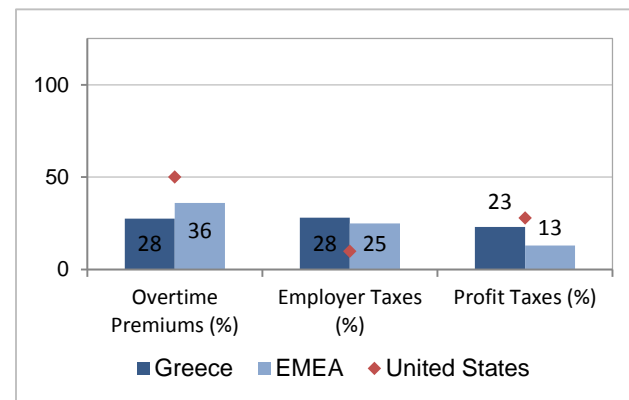


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|---------|--------------|
| Tenure | Greece | Regional Ave |
| 1 Year | 0 weeks | 4.6 weeks |
| 5 Years | 0 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Greece | Regional Ave |
| 1 Year | 8.7 weeks | 2.5 weeks |
| 5 Years | 13.0 weeks | 8.5 weeks |

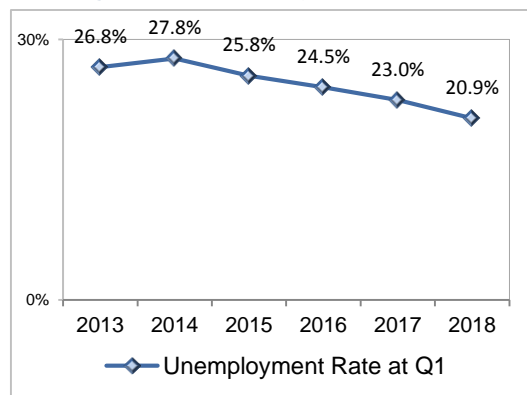
Other Cost Considerations



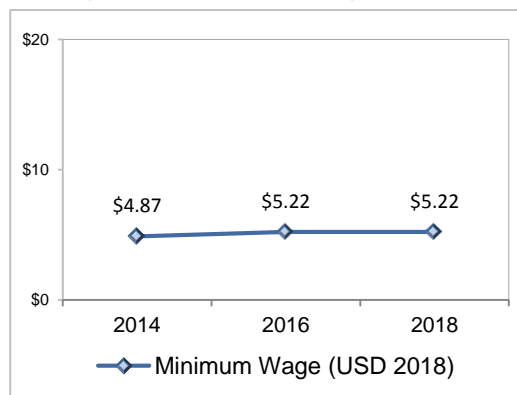
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|-------|
| Wage Inflation Rate (Dec 17) | -1.3% |
| Inflation Rate (Dec 17) | 0.7% |

- Data from ERGANI, shows that 143,535 new jobs were created in 2017. However more than half of these were part-time.
- Industrial action during January in protest against changes to the labor law including the right to strike and wages.

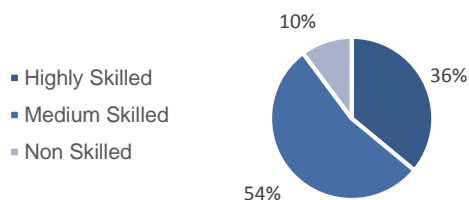
Hungary

Agriculture 4% Services 64% Industry 30 %

Labor Market

Workforce (5% Informal Workforce)

| | |
|------------------------|------------------|
| Total Workforce | 4,639,200 |
| Permanent Employees | 3,976,453 |
| Non Standard Workforce | 486,457 |
| Unemployed Workers | 176,290 |

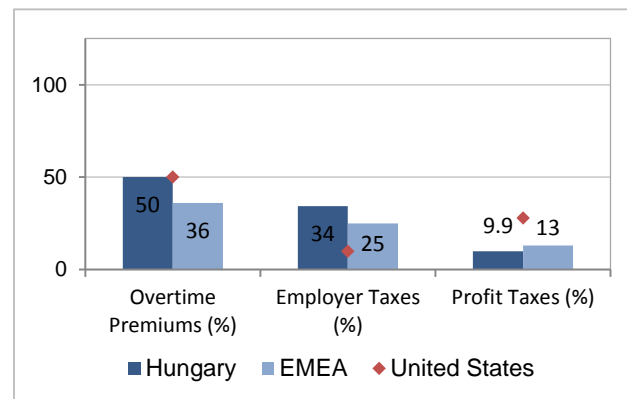


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Hungary | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 6.4 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Hungary | Regional Ave |
| 1 Year | 0 weeks | 2.5 weeks |
| 5 Years | 8.7 weeks | 8.5 weeks |

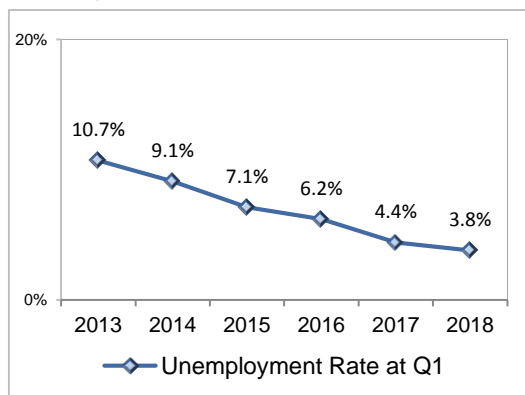
Other Cost Considerations



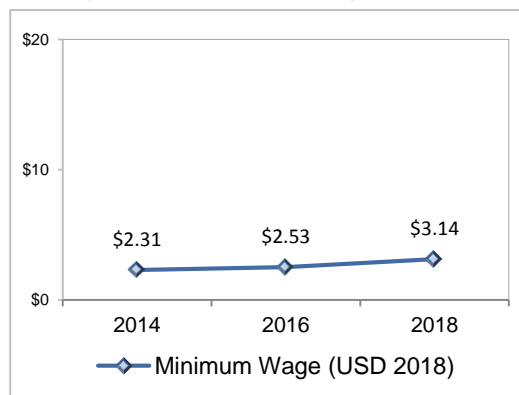
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Minimum wage depends on the skill level.

Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Dec 17) | 13% |
| Inflation Rate (Dec 17) | 2.1% |

- Strikes in the retail sector have led to a substantial increase in pay
- Wages are expected to increase in public utilities by between 10% and 12% in 2018.

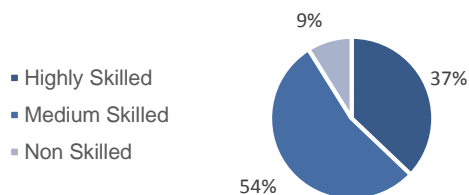
Ireland

Agriculture 5% Services 77% Industry 18%

Labor Market

Workforce (7% Informal Workforce)

| | |
|------------------------|------------------|
| Total Workforce | 2,370,400 |
| Permanent Employees | 1,860,773 |
| Non Standard Workforce | 365,032 |
| Unemployed Workers | 144,594 |

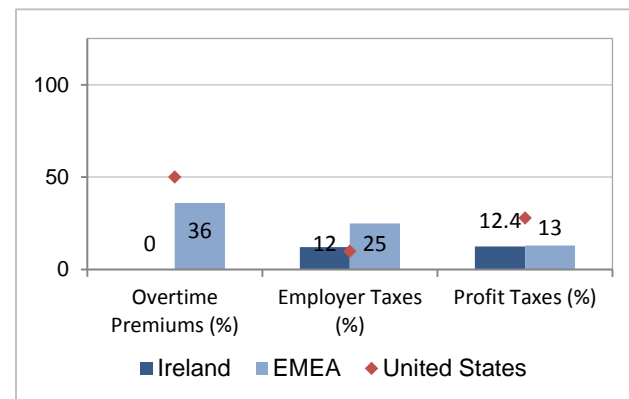


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Ireland | Regional Ave |
| 1 Year | 1.0 weeks | 4.6 weeks |
| 5 Years | 4.0 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Ireland | Regional Ave |
| 1 Year | 0 weeks | 2.5 weeks |
| 5 Years | 11.0 weeks | 8.5 weeks |

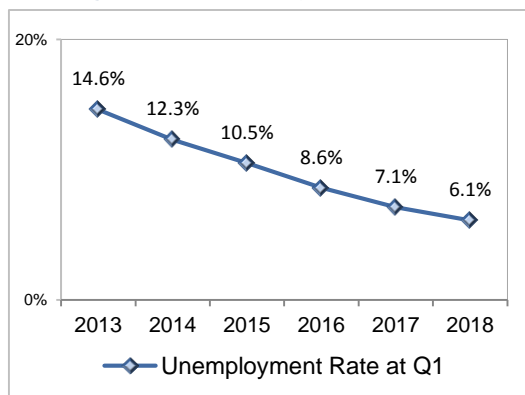
Other Cost Considerations



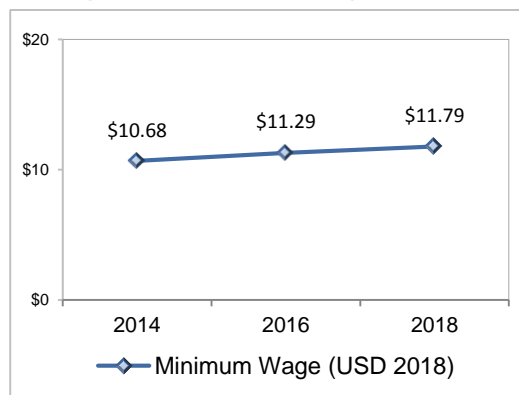
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|--|--|
| Wage Inflation Rate (3 rd Qtr 2017) | <50 employees 2.0% 50-250 employees 2.8% >250 employees 2.2% |
| Inflation Rate | 0.4% |

- By industry, the Central Statistics Office reported that the transportation and storage sector had the highest wage growth at 4.3%.
- Wage growth for 2018 is expected to be ~2.8%

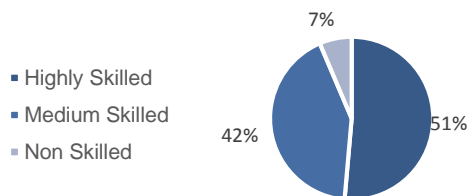
Israel

Agriculture 1% Services 81% Industry 18%

Labor Market

Workforce (6% Informal Workforce)

| | |
|------------------------|------------------|
| Total Workforce | 4,017,542 |
| Permanent Employees | 3,247,460 |
| Non Standard Workforce | 609,381 |
| Unemployed Workers | 160,702 |

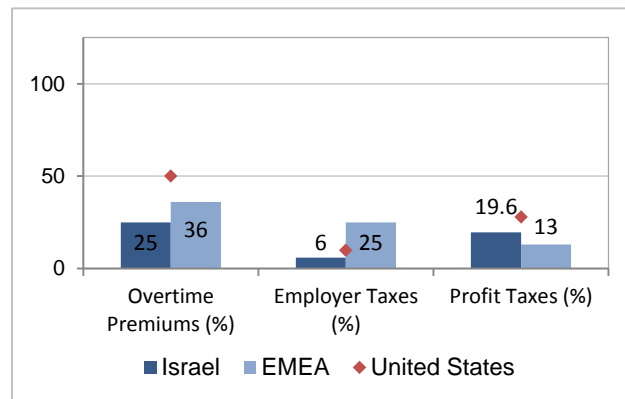


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Israel | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 4.3 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Israel | Regional Ave |
| 1 Year | 4.3 weeks | 2.5 weeks |
| 5 Years | 21.7 weeks | 8.5 weeks |

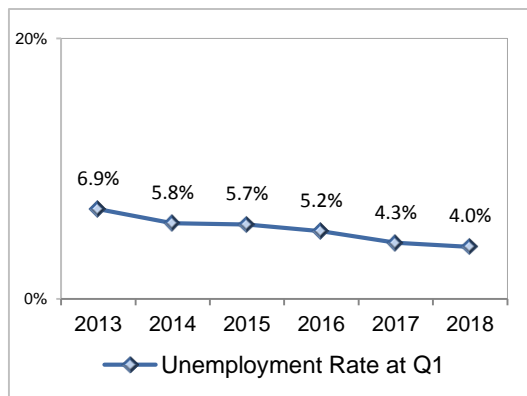
Other Cost Considerations



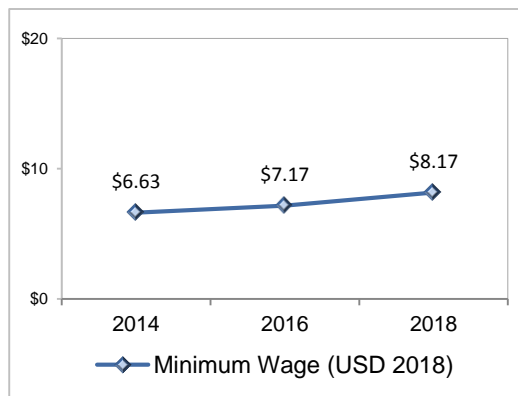
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Nov 17) | 2.1% |
| Inflation Rate (Feb 18) | 0.1% |

- Growth in the economy was at 3% during 2017 and is forecast to be 3.5% during 2018.
- According to the Israel Innovation Authority, the average monthly salary in a high tech job (NIS 21,000 ~ \$6K US) is twice the average salary in Israel. During the next decade, the Authority aims to increase employees in high tech from 270,000 to 500,000. In the short term, they are trying to attract skilled immigrants, run intensive coding courses and integrate the Arab population into the labor force.

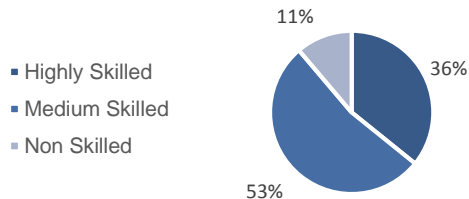
Italy

Agriculture 4% Services 69% Industry 27%

Labor Market

Workforce (9% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 25,923,800 |
| Permanent Employees | 17,551,138 |
| Non Standard Workforce | 5,572,891 |
| Unemployed Workers | 2,799,770 |

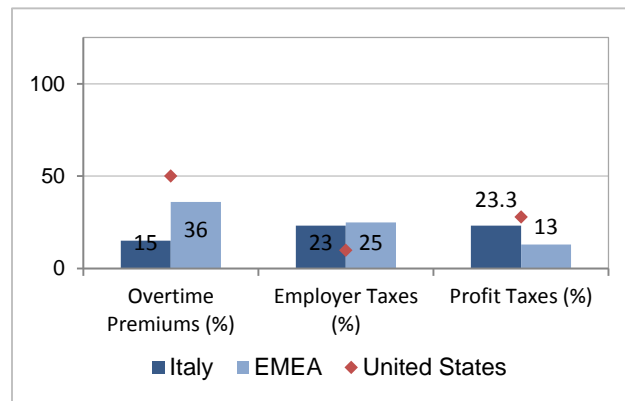


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Italy | Regional Ave |
| 1 Year | 2.9 weeks | 4.6 weeks |
| 5 Years | 4.3 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|---------|--------------|
| Tenure | Italy | Regional Ave |
| 1 Year | 0 weeks | 2.5 weeks |
| 5 Years | 0 weeks | 8.5 weeks |

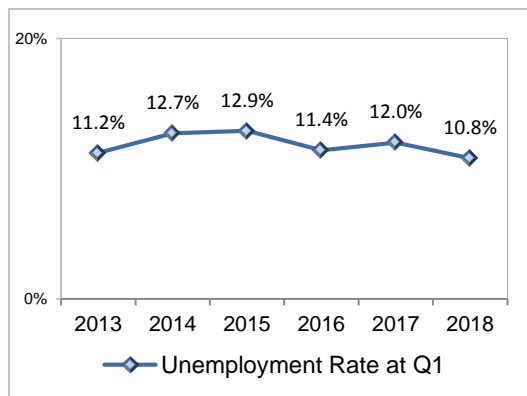
Other Cost Considerations



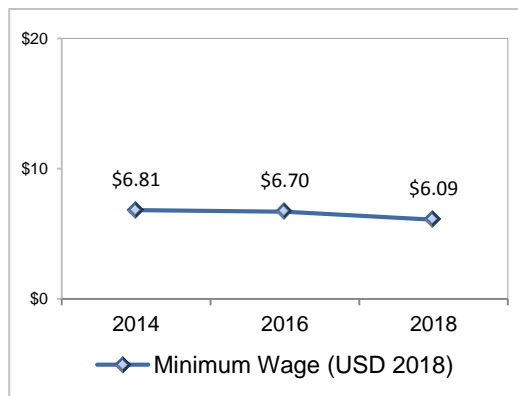
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Living Wage (2018 USD rate)



- There isn't a minimum wage in Italy. This is the change to the Living Wage for an individual as calculated by Wageindicator Foundation.

Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Jan 18) | 0.7% |
| Inflation Rate (Jan 18) | 0.8% |

- Italy has struggled with both economic growth and low productivity.
- Youth unemployment is decreasing but still at 32.7%.
- Elections are due in early March with the Democratic Party promising a minimum wage.

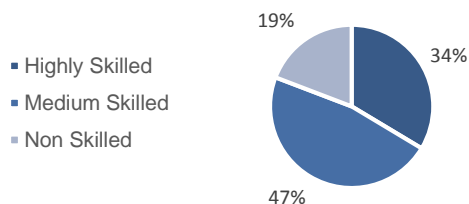
Kazakhstan

Agriculture 18% Services 62% Industry 20 %

Labor Market

Workforce (28% Informal Workforce)

| | |
|------------------------|------------------|
| Total Workforce | 9,209,076 |
| Permanent Employees | 6,401,975 |
| Non Standard Workforce | 2,355,857 |
| Unemployed Workers | 451,245 |

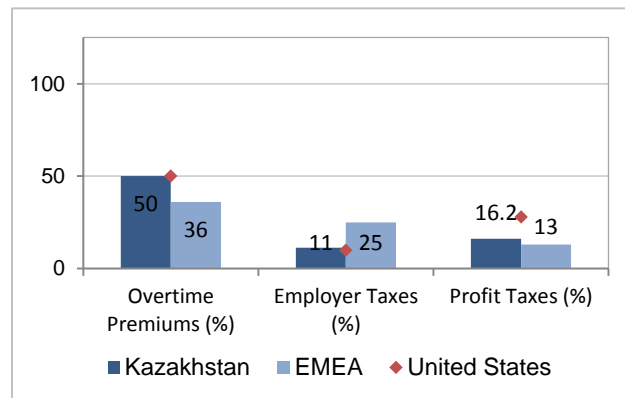


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Kazakhstan | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 4.3 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Kazakhstan | Regional Ave |
| 1 Year | 4.3 weeks | 2.5 weeks |
| 5 Years | 4.3 weeks | 8.5 weeks |

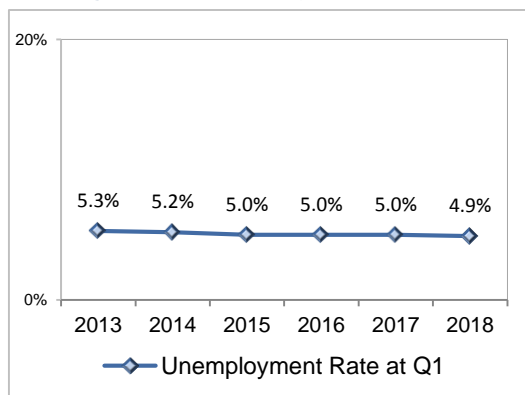
Other Cost Considerations



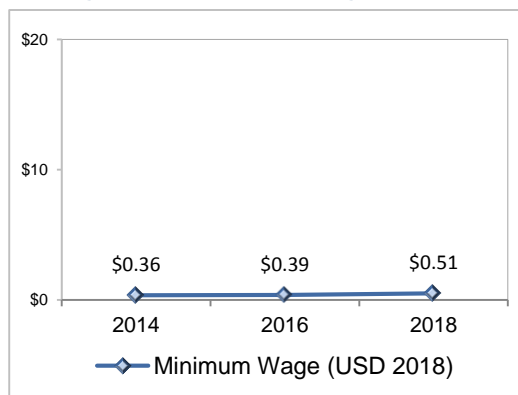
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|---|
| Wage Inflation Rate (Jan 18) | Highly skilled 5.75% Low skilled 10.2% |
| Inflation Rate (Jan 18) | 6.8% |

- The Minister for National Economy has said that over 17,000 jobs were created in 2017 in small and medium sized enterprises

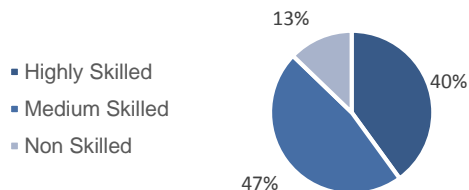
Latvia

Agriculture 7% Services 70% Industry 23%

Labor Market

Workforce (4% Informal Workforce)

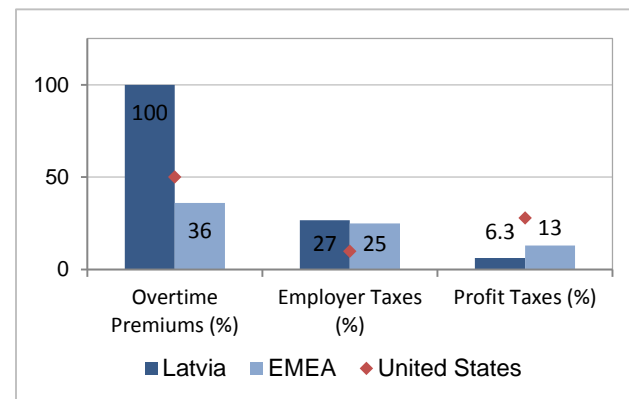
| | |
|------------------------|----------------|
| Total Workforce | 987,000 |
| Permanent Employees | 784,798 |
| Non Standard Workforce | 118,307 |
| Unemployed Workers | 83,895 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Latvia | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 4.3 weeks | 7.0 weeks |
| Severance Pay By Tenure | | |
| Tenure | Latvia | Regional Ave |
| 1 Year | 4.3 weeks | 2.5 weeks |
| 5 Years | 8.7 weeks | 8.5 weeks |

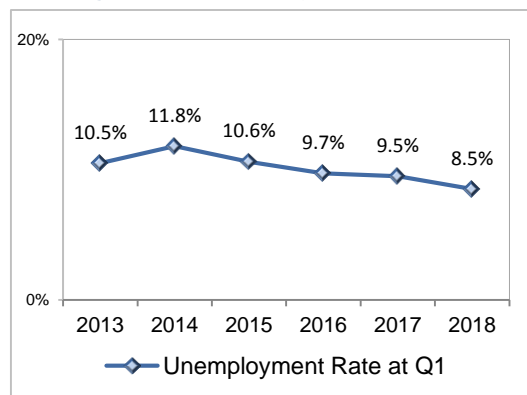
Other Cost Considerations



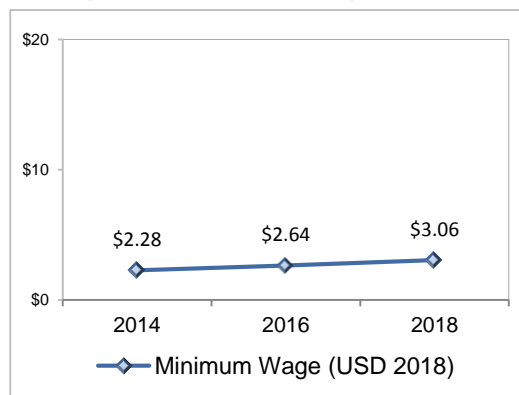
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Dec 17) | 7.5% |
| Inflation Rate (Dec 17) | 2.2% |

- In 2017, Latvia's GDP grew by 4.5% which was the best growth since 2011.
- The Finance Ministry expects that wage growth in 2018 will be at 8%, inflation will be at 2.8% dropping to 2.4% in 2019.
- Latvian tax authority published a list of employers that pay their employees minimum wage or less.

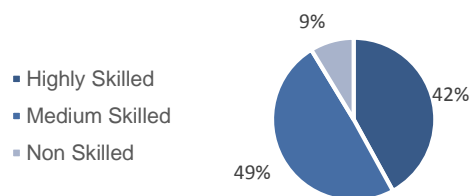
Lithuania

Agriculture 9% Services 67% Industry 25%

Labor Market

Workforce (4% Informal Workforce)

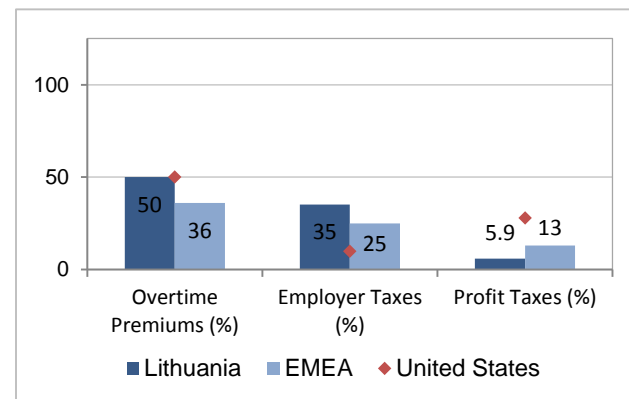
| | |
|------------------------|-----------|
| Total Workforce | 1,454,300 |
| Permanent Employees | 1,161,804 |
| Non Standard Workforce | 165,972 |
| Unemployed Workers | 126,524 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Lithuania | Regional Ave |
| 1 Year | 8.7 weeks | 4.6 weeks |
| 5 Years | 8.7 weeks | 7.0 weeks |
| Severance Pay By Tenure | | |
| Tenure | Lithuania | Regional Ave |
| 1 Year | 8.7 weeks | 2.5 weeks |
| 5 Years | 17.3 weeks | 8.5 weeks |

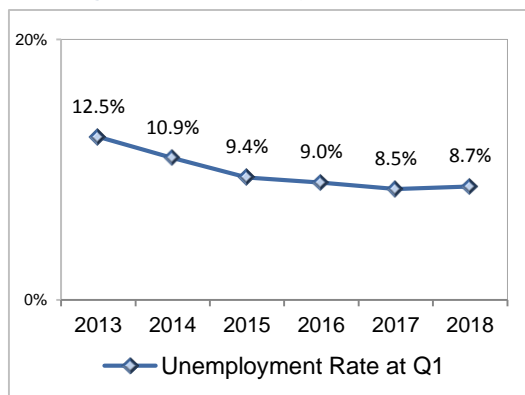
Other Cost Considerations



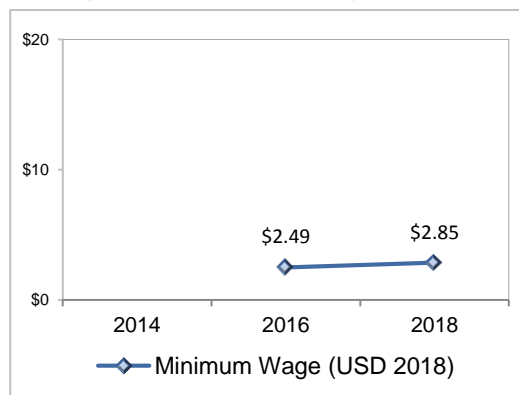
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Lithuania introduced the Euro at the beginning of 2015.

Nominal Wage Inflation and Inflation

| Year on Year | |
|--------------------------------|------|
| Wage Inflation Rate (Q4, 2017) | 7.5% |
| Inflation Rate (Dec 17) | 3.9% |

- Wage growth is being driven by the private sector where the wage growth was 8% for the last quarter. The wage growth has been attributed to a shortage of skilled workers and a favourable economic environment.
- Due to inflation, real wage growth was 5.7% in 2017 which was down from the 7.7% of 2016.
- Lithuania's Swedbank has forecast wage inflation to be 7% during 2018.

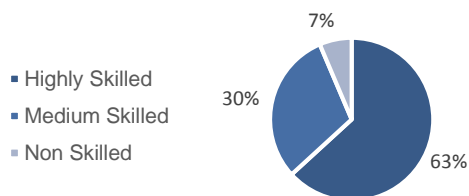
Luxembourg

Agriculture 1% Services 89% Industry 10%

Labor Market

Workforce (X5% Informal Workforce)

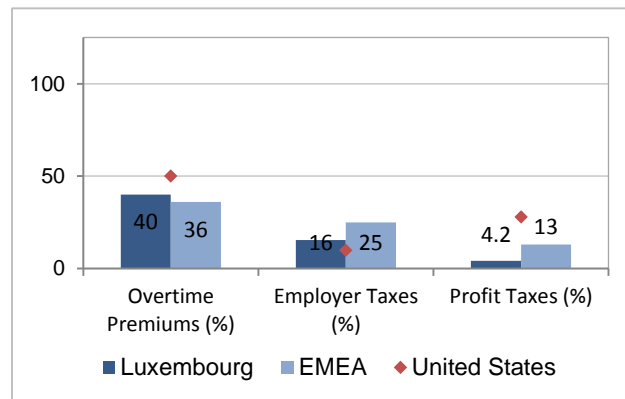
| | |
|------------------------|----------------|
| Total Workforce | 290,800 |
| Permanent Employees | 246,814 |
| Non Standard Workforce | 27,119 |
| Unemployed Workers | 16,866 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Luxembourg | Regional Ave |
| 1 Year | 8.7 weeks | 4.6 weeks |
| 5 Years | 17.3 weeks | 7.0 weeks |
| Severance Pay By Tenure | | |
| Tenure | Luxembourg | Regional Ave |
| 1 Year | 0 weeks | 2.5 weeks |
| 5 Years | 4.3 weeks | 8.5 weeks |

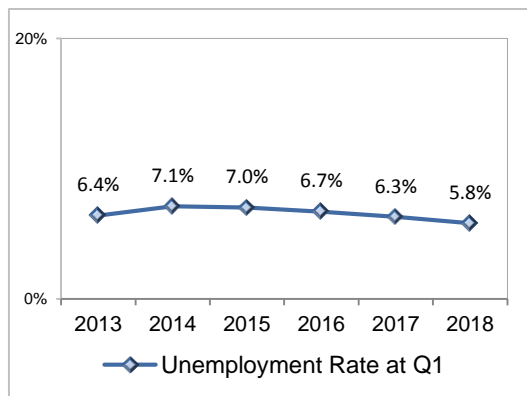
Other Cost Considerations



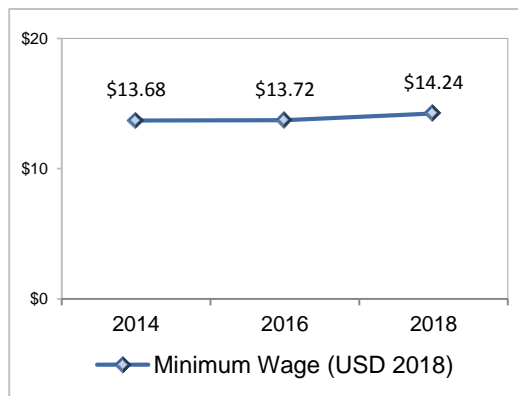
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Note that this is the rate for unskilled workers. An additional 20% is added to the minimum wage for skilled workers.

Nominal Wage Inflation and Inflation

| Year on Year | |
|--------------------------------|------|
| Wage Inflation Rate (Q3, 2017) | 2.9% |
| Inflation Rate (2017) | 1.7% |

- Statistics Portal of Luxembourg has forecast inflation for 2018 to be at 1.4%,
- Greatest wage inflation was in the financial sector at 3.7% year on year.

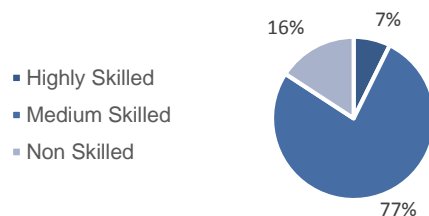
Morocco

Agriculture 33% Services 47% Industry 21%

Labor Market

Workforce (29% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 12,714,115 |
| Permanent Employees | 5,274,018 |
| Non Standard Workforce | 6,092,400 |
| Unemployed Workers | 1,347,696 |

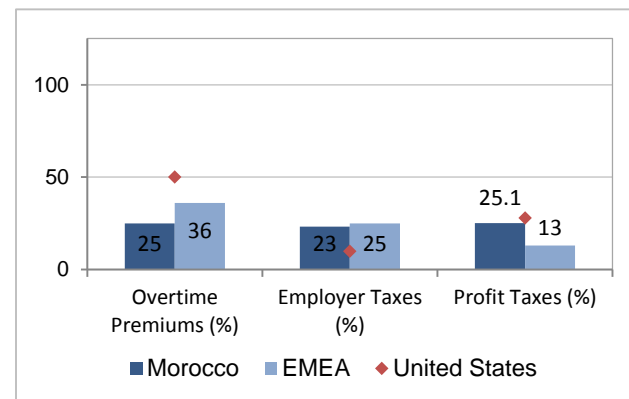


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Morocco | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 8.7 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Morocco | Regional Ave |
| 1 Year | 2.2 weeks | 2.5 weeks |
| 5 Years | 10.9 weeks | 8.5 weeks |

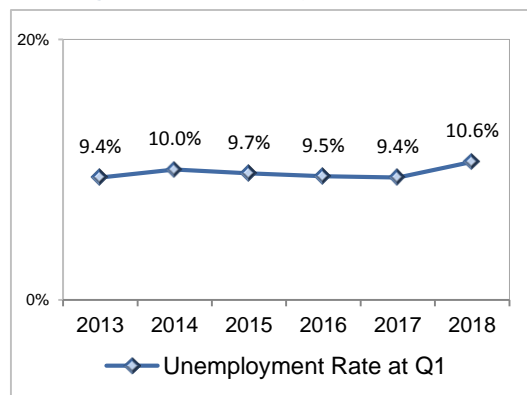
Other Cost Considerations



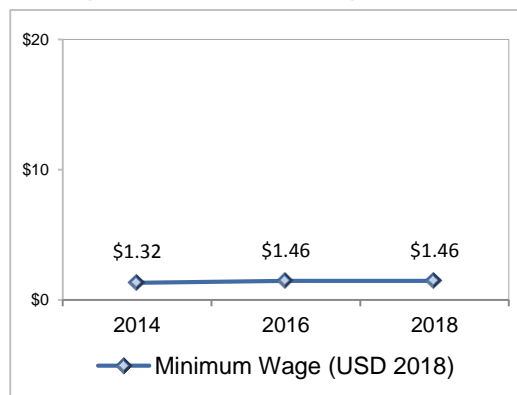
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- This is the private sector minimum wage. The public sector is treated differently.

Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Jan 18) | 1.8% |

- Youth unemployment is at 29.3%. Graduate unemployment in 2015 was 24.4%
- The average wage in the private sector is 1.57 times lower than the public sector.

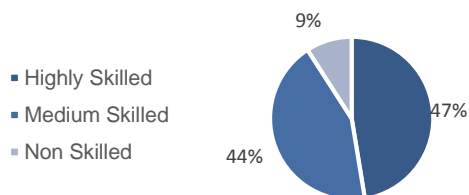
Netherlands

Agriculture 2% Services 82% Industry 16%

Labor Market

Workforce (7% Informal Workforce)

| | |
|------------------------|------------------|
| Total Workforce | 9,072,000 |
| Permanent Employees | 7,239,583 |
| Non Standard Workforce | 1,451,393 |
| Unemployed Workers | 381,024 |

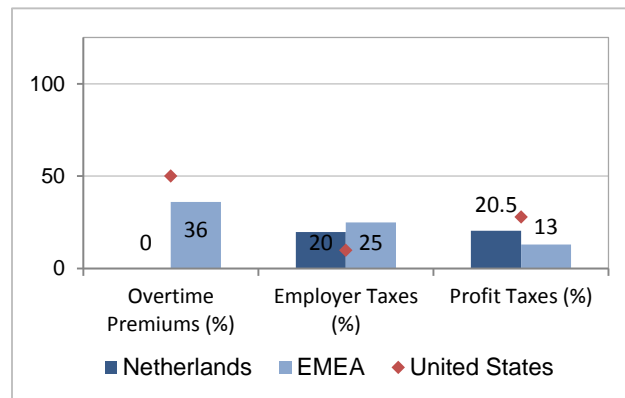


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-------------|--------------|
| Tenure | Netherlands | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 8.7 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-------------|--------------|
| Tenure | Netherlands | Regional Ave |
| 1 Year | 0 weeks | 2.5 weeks |
| 5 Years | 7.2 weeks | 8.5 weeks |

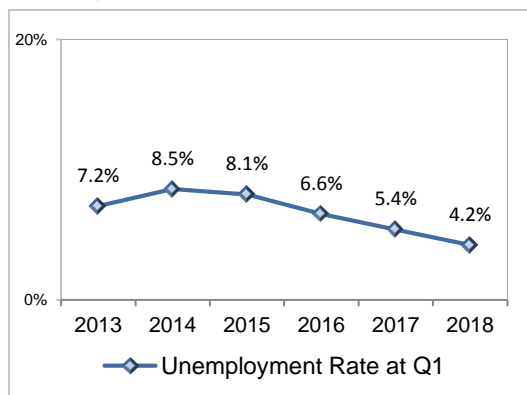
Other Cost Considerations



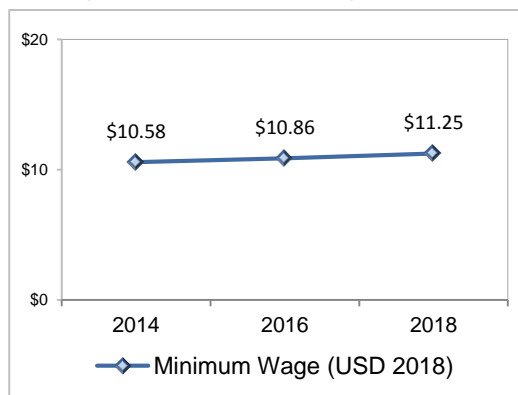
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- This minimum wage is for workers who are 23 years or over.

Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Dec 17) | 1.7% |
| Inflation Rate (Dec 17) | 1.3% |

- 80% of employees in the Netherlands are covered by collective bargaining agreements.
- According to CBS, the national statistics office, there were only 1.8 applicants per job vacancy during Q4 of 2017.

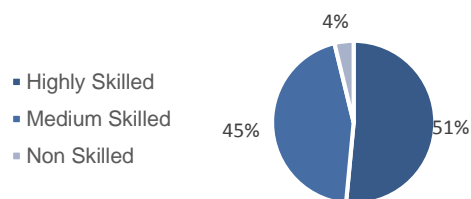
Norway

Agriculture 2% Services 78% Industry 20%

Labor Market

Workforce (5% Informal Workforce)

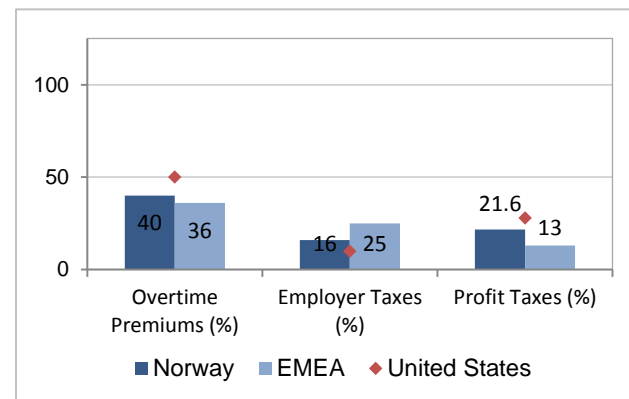
| | |
|------------------------|------------------|
| Total Workforce | 2,748,800 |
| Permanent Employees | 2,454,208 |
| Non Standard Workforce | 181,891 |
| Unemployed Workers | 112,701 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Norway | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 8.7 weeks | 7.0 weeks |
| Severance Pay By Tenure | | |
| Tenure | Norway | Regional Ave |
| 1 Year | 0 weeks | 2.5 weeks |
| 5 Years | 0 weeks | 8.5 weeks |

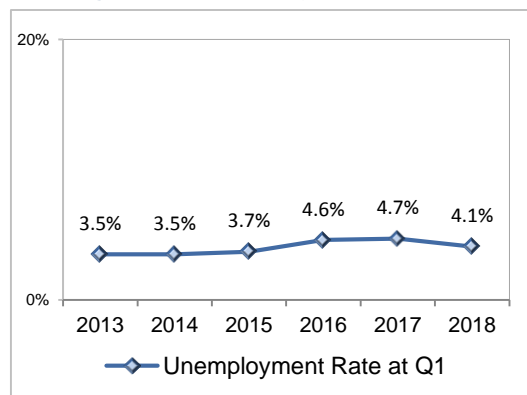
Other Cost Considerations



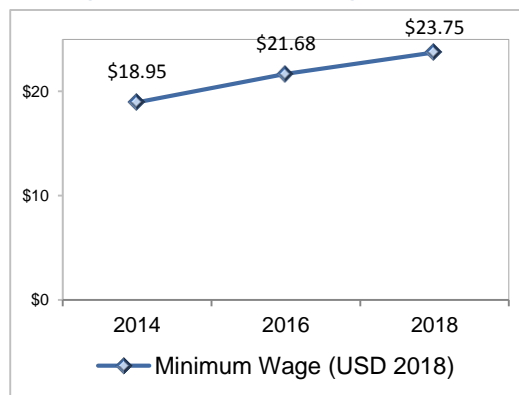
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Wages are determined by industry through Collective Bargaining Agreements. This is the wage for unskilled workers in construction.

Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Dec 17) | 2.3% |
| Inflation Rate (Jan 18) | 1.6% |

- Inflation is expected to rise to 2% in 2018.
- The central bank has predicted that wages will rise by 2.9% in 2018 which is an increase on 2017 where the average wage grew by 2.3% although it was 2.5% in the manufacturing sector.

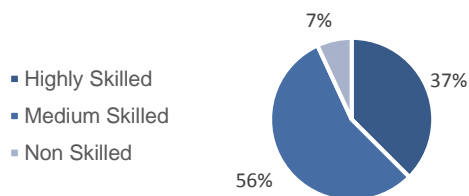
Poland

Agriculture 11% Services 60% Industry 30%

Labor Market

Workforce (9% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 17,327,200 |
| Permanent Employees | 12,817,415 |
| Non Standard Workforce | 3,366,190 |
| Unemployed Workers | 1,143,595 |

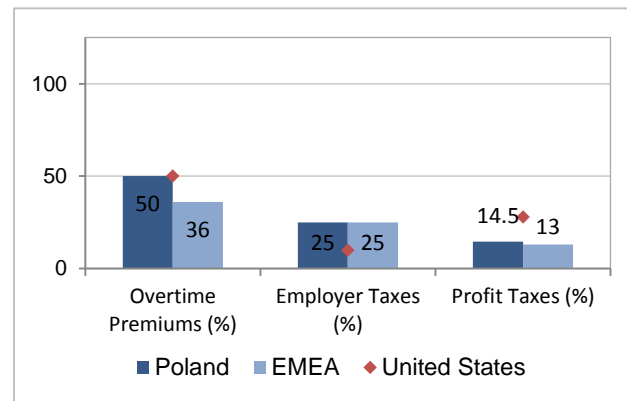


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Poland | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 13.0 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Poland | Regional Ave |
| 1 Year | 4.3 weeks | 2.5 weeks |
| 5 Years | 8.7 weeks | 8.5 weeks |

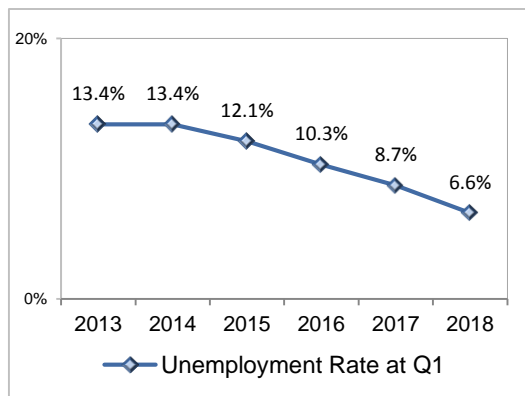
Other Cost Considerations



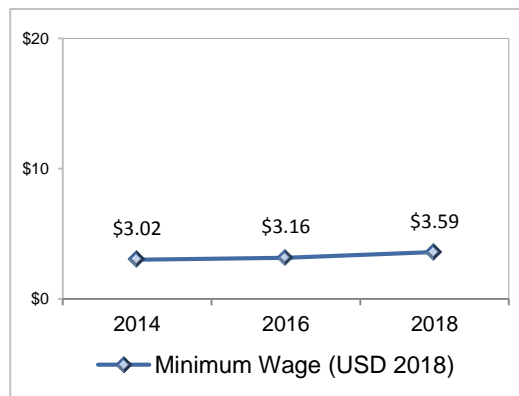
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Dec 17) | 7.3% |
| Inflation Rate (Dec 17) | 2.1% |

- GDP growth in Poland in 2017 was at 4.6% which is the highest rate since 2011.
- Restrictions on Sunday trading which are due to be implemented in March are not expected to have an impact on unemployment.
- 2 million Ukrainian immigrants are currently working in Poland. There is concern that lifting Visa restrictions in the Schengen Area will create a labor shortage in Poland as Ukrainians move to wealthier countries.

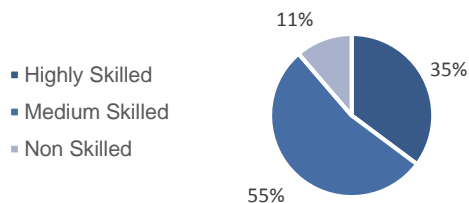
Portugal

Agriculture 8% Services 68% Industry 24%

Labor Market

Workforce (8% Informal Workforce)

| | |
|------------------------|------------------|
| Total Workforce | 5,226,900 |
| Permanent Employees | 3,958,101 |
| Non Standard Workforce | 845,420 |
| Unemployed Workers | 423,379 |

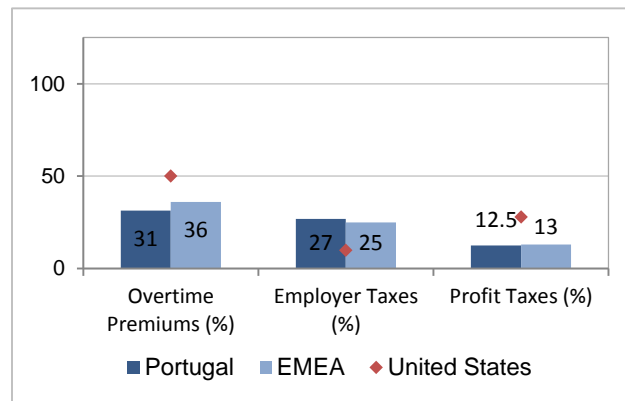


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Portugal | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 8.6 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Portugal | Regional Ave |
| 1 Year | 1.7 weeks | 2.5 weeks |
| 5 Years | 8.6 weeks | 8.5 weeks |

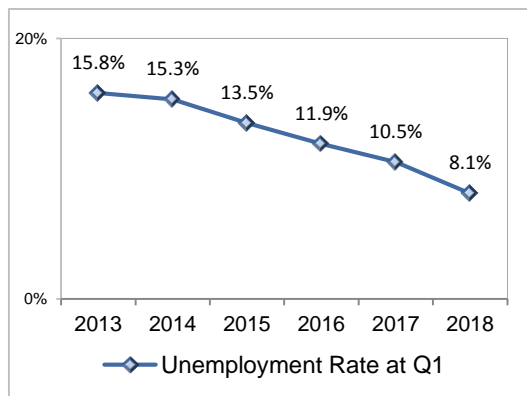
Other Cost Considerations



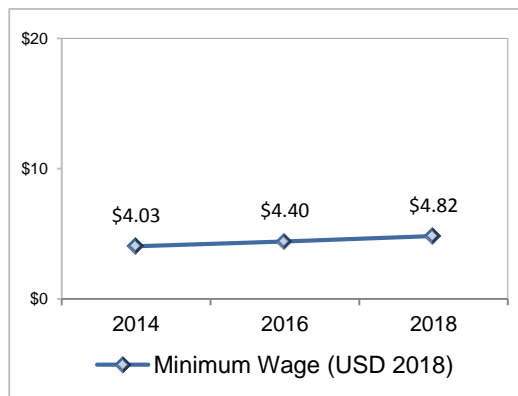
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Nov 17) | 5.4% |
| Inflation Rate (Jan 18) | 1.1% |

- The government has committed to raising minimum wages to €600 per month in 2019. The recent minimum wage rise of 4.1% puts the monthly rate at €580 (paid 14 times a year)
- There are 800,000 minimum wage workers in Portugal.

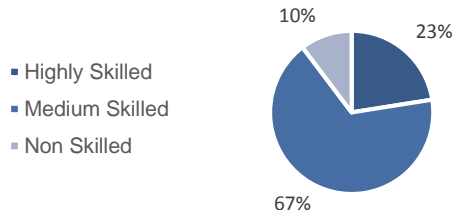
Romania

Agriculture 26% Services 47% Industry 28%

Labor Market

Workforce (13% Informal Workforce)

| | |
|------------------------|------------------|
| Total Workforce | 9,290,700 |
| Permanent Employees | 6,514,546 |
| Non Standard Workforce | 2,348,782 |
| Unemployed Workers | 427,372 |

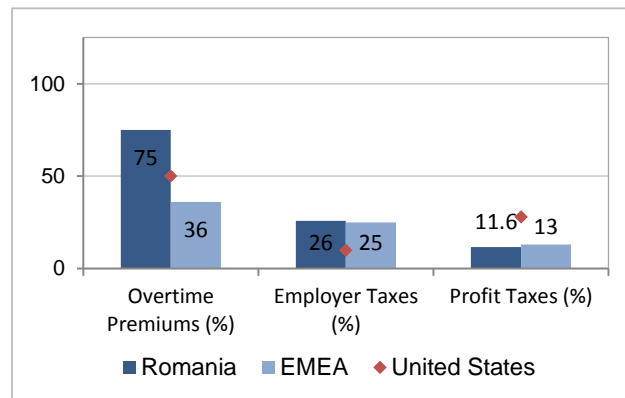


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Romania | Regional Ave |
| 1 Year | 4.0 weeks | 4.6 weeks |
| 5 Years | 4.0 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|---------|--------------|
| Tenure | Romania | Regional Ave |
| 1 Year | 0 weeks | 2.5 weeks |
| 5 Years | 0 weeks | 8.5 weeks |

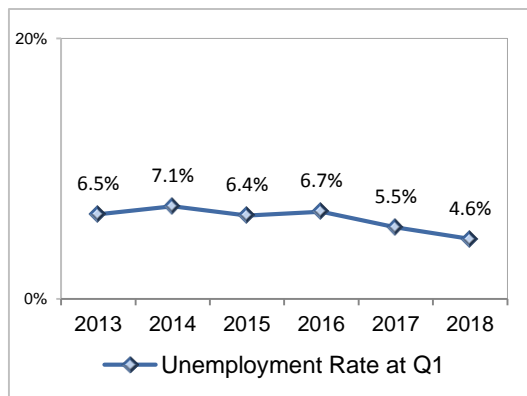
Other Cost Considerations



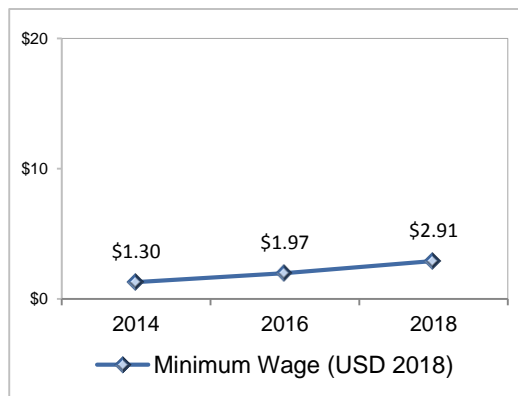
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|-------|
| Wage Inflation Rate (Nov 17) | 12.4% |
| Inflation Rate (Jan 18) | 4.3% |

- Despite a 31% increase in minimum wage in January 2018, the net income of minimum wage earning Romanians will only increase by 8% as the government has shifted the burden of social security contributions to the employee.
- According to a trade union leader Dumitru Costin, only about half of the employers have increased worker's salaries.

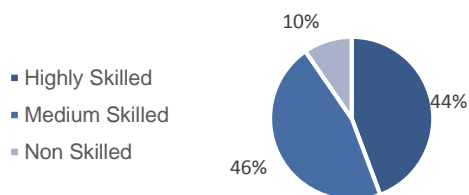
Russia

Agriculture 7% Services 66% Industry 27%

Labor Market

Workforce (5% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 75,500,360 |
| Permanent Employees | 66,204,454 |
| Non Standard Workforce | 5,445,388 |
| Unemployed Workers | 3,850,518 |

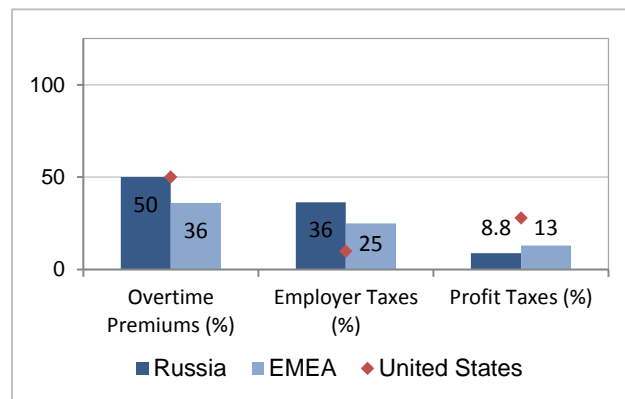


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Russia | Regional Ave |
| 1 Year | 8.7 weeks | 4.6 weeks |
| 5 Years | 8.7 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Russia | Regional Ave |
| 1 Year | 8.7 weeks | 2.5 weeks |
| 5 Years | 8.7 weeks | 8.5 weeks |

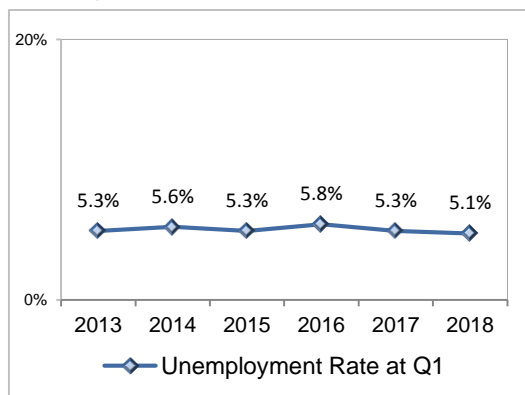
Other Cost Considerations



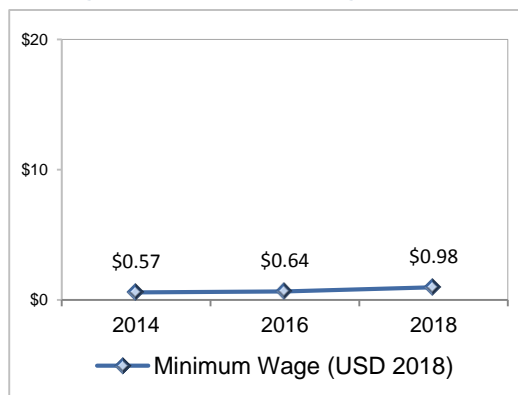
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|--------------------------------|------|
| Wage Inflation Rate (Jan 2018) | 6.2% |
| Inflation Rate | 2.2% |

- Legislation has been passed to increase minimum wage by 43% by May 2018.

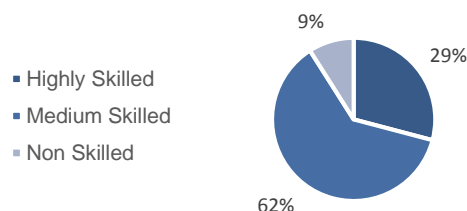
Serbia

Agriculture 19% Services 56% Industry 25%

Labor Market

Workforce (35% Informal Workforce)

| | |
|------------------------|------------------|
| Total Workforce | 3,142,798 |
| Permanent Employees | 1,872,366 |
| Non Standard Workforce | 865,011 |
| Unemployed Workers | 405,421 |

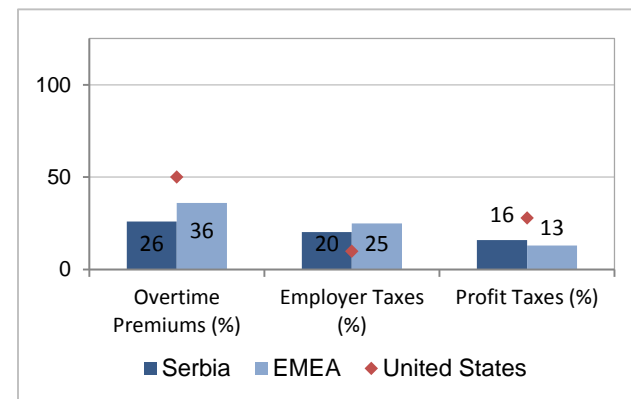


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|---------|--------------|
| Tenure | Serbia | Regional Ave |
| 1 Year | 0 weeks | 4.6 weeks |
| 5 Years | 0 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Serbia | Regional Ave |
| 1 Year | 1.4 weeks | 2.5 weeks |
| 5 Years | 7.2 weeks | 8.5 weeks |

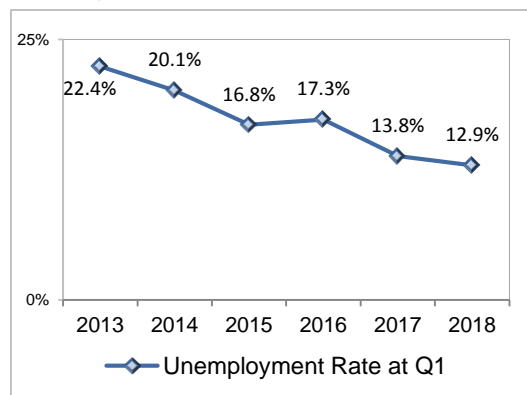
Other Cost Considerations



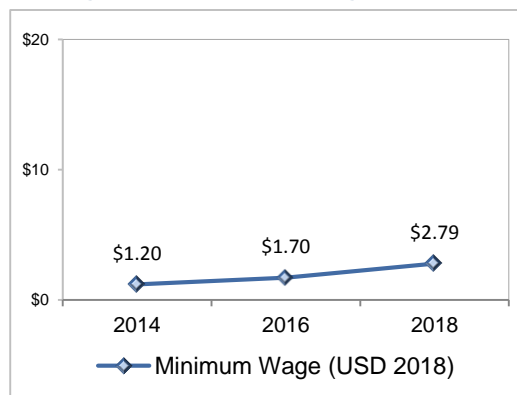
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|---------------------------------|------|
| Wage Inflation Rate (Sept 2017) | 4.2% |
| Inflation Rate | 3.0% |

- There are approximately 350,000 minimum wage workers in Serbia.
- Youth unemployment is at 28.8% (Sept 17)
- The World Bank has reported that economic growth during 2017 was 2.0% and it is forecast to be 3.0% during 2018.

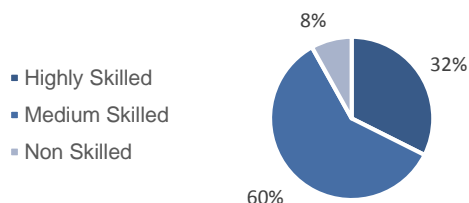
Slovakia

Agriculture 3% Services 62% Industry 35%

Labor Market

Workforce (11% Informal Workforce)

| | |
|------------------------|-----------|
| Total Workforce | 2,763,200 |
| Permanent Employees | 2,197,145 |
| Non Standard Workforce | 403,027 |
| Unemployed Workers | 163,029 |

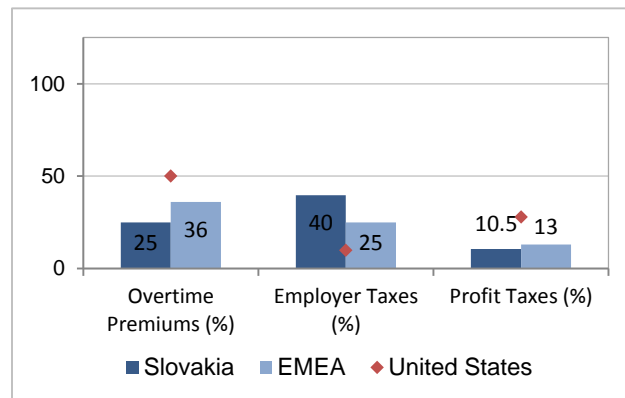


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Slovakia | Regional Ave |
| 1 Year | 8.7 weeks | 4.6 weeks |
| 5 Years | 13.0 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Slovakia | Regional Ave |
| 1 Year | 0 weeks | 2.5 weeks |
| 5 Years | 8.7 weeks | 8.5 weeks |

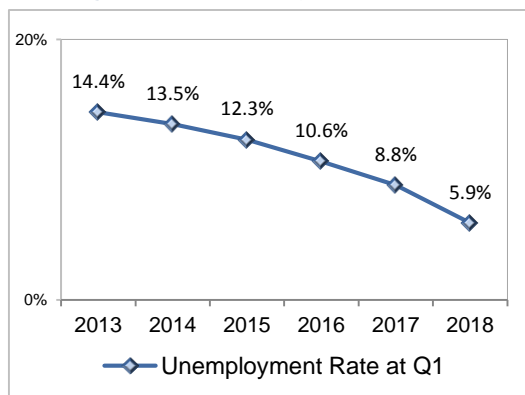
Other Cost Considerations



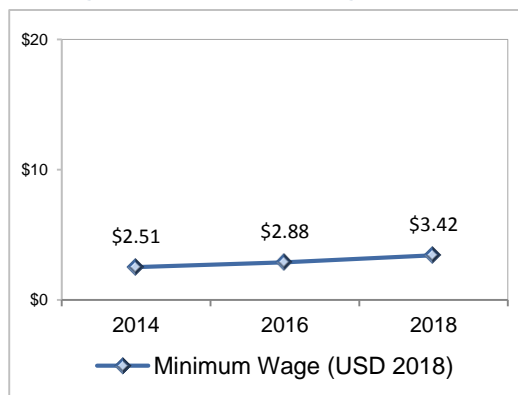
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Dec 17) | 3.6% |
| Inflation Rate (Dec 17) | 1.9% |

- More than 1 in 5 workers in Slovakia receive the minimum wage. The current prime minister plans to rapidly increase the minimum wage.
- Approximately 19% of workers in Slovakia work the night shift. Revisions to the Labor Code have been drafted to reduce the amount of night work by increasing the premiums on night work and weekend work. Additionally, there is a proposal to introduce 13th and 14th month salaries.

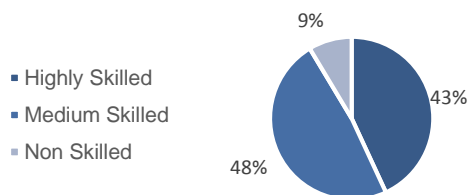
Slovenia

Agriculture 9% Services 62% Industry 30%

Labor Market

Workforce (7% Informal Workforce)

| | |
|------------------------|------------------|
| Total Workforce | 1,039,000 |
| Permanent Employees | 814,853 |
| Non Standard Workforce | 133,754 |
| Unemployed Workers | 90,393 |

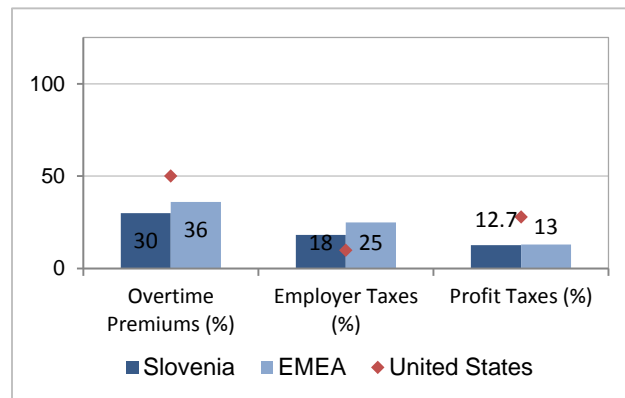


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Slovenia | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 5.1 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Slovenia | Regional Ave |
| 1 Year | 0.9 weeks | 2.5 weeks |
| 5 Years | 4.3 weeks | 8.5 weeks |

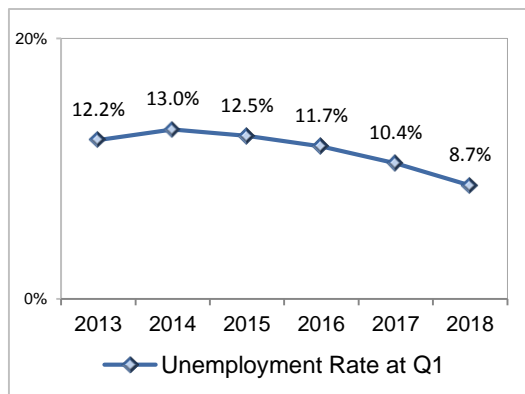
Other Cost Considerations



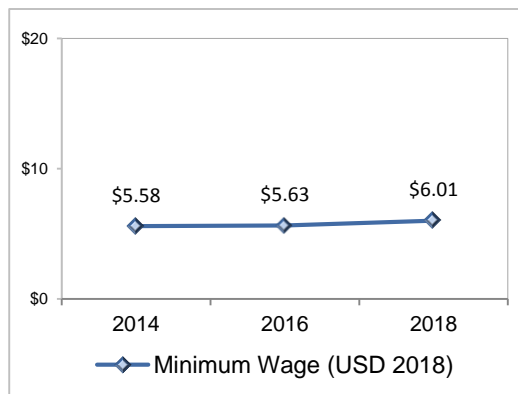
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Dec 17) | 4.1% |
| Inflation Rate (Feb 18) | 1.2% |

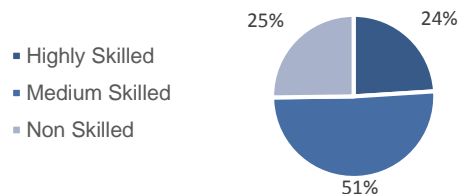
- 2018 has already seen strikes in the public sector over wages. Slovenia's government has offered a 1% pay rise which is considerably lower than the demands of the unions.
- GDP growth in Slovenia was 5% in 2017. Employment was up by 2.8%

South Africa Agriculture 6% Services 68% Industry 26%

Labor Market

Workforce (6% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 22,010,535 |
| Permanent Employees | 13,681,396 |
| Non Standard Workforce | 2,452,326 |
| Unemployed Workers | 5,876,813 |

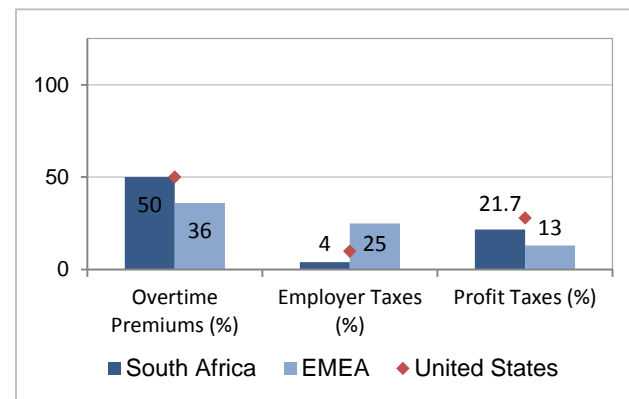


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|--------------|--------------|
| Tenure | South Africa | Regional Ave |
| 1 Year | 4.0 weeks | 4.6 weeks |
| 5 Years | 4.0 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|--------------|--------------|
| Tenure | South Africa | Regional Ave |
| 1 Year | 1.0 weeks | 2.5 weeks |
| 5 Years | 5.0 weeks | 8.5 weeks |

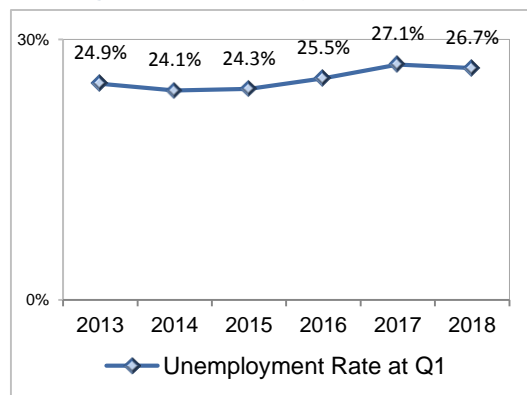
Other Cost Considerations



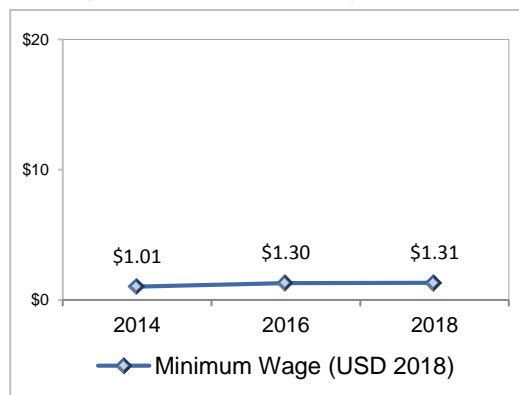
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- South Africa has a number of different minimum wages based on location and role. This is Area A – general workers.

Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Oct 17) | 8.3% |
| Inflation Rate (Dec 18) | 4.7% |

- In addition to the high unemployment rate, labour force participation rate in South Africa is low at 58.8%. The National Development Plan target for 2030 is for unemployment to be at 6% and participation rate of 65%.
- The graduate unemployment rate is 6.6%. Youth unemployment is at 52%.

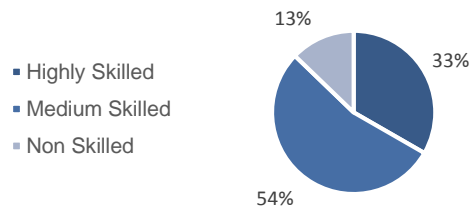
Spain

Agriculture 4% Services 77% Industry 19%

Labor Market

Workforce (6% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 22,765,000 |
| Permanent Employees | 15,843,825 |
| Non Standard Workforce | 3,153,567 |
| Unemployed Workers | 3,767,608 |

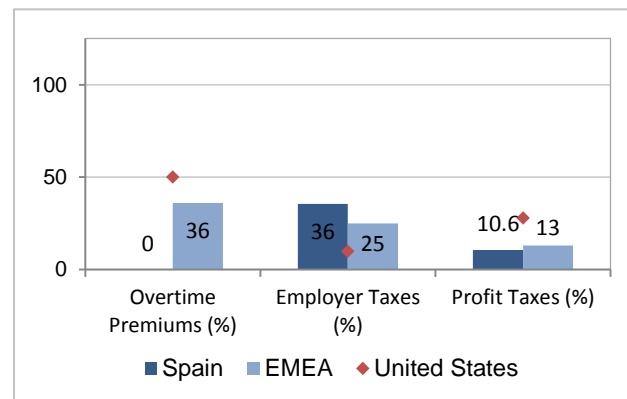


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Spain | Regional Ave |
| 1 Year | 2.1 weeks | 4.6 weeks |
| 5 Years | 2.1 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Spain | Regional Ave |
| 1 Year | 2.9 weeks | 2.5 weeks |
| 5 Years | 14.3 weeks | 8.5 weeks |

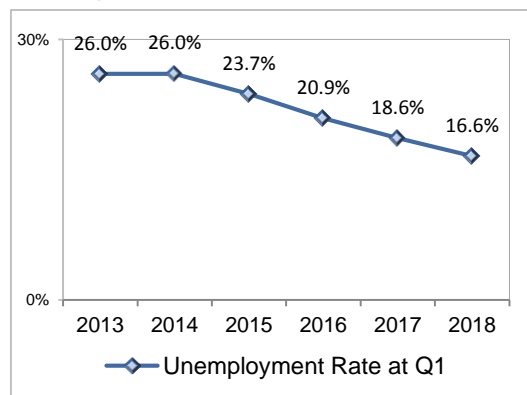
Other Cost Considerations



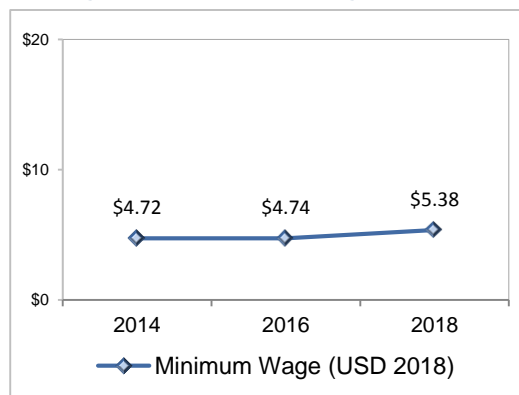
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Jan 18) | 0% |
| Inflation Rate (Jan 18) | 0.5% |

- Minimum wage is expected to increase to €850 per month by 2020.
- Between 2008 and 2017, 1 million jobs were lost in the construction industry. Over the same time, 400,000 jobs have been created in hospitality and tourism. However, many of the new jobs have been low skilled and in the first half of 2017, 97% of the new jobs in the sector were for part time and temporary jobs.

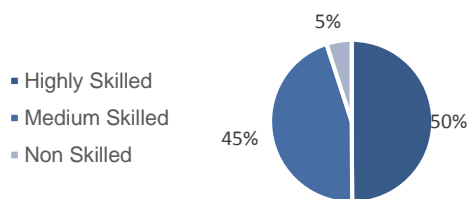
Sweden

Agriculture 2% Services 80% Industry 18%

Labor Market

Workforce (5% Informal Workforce)

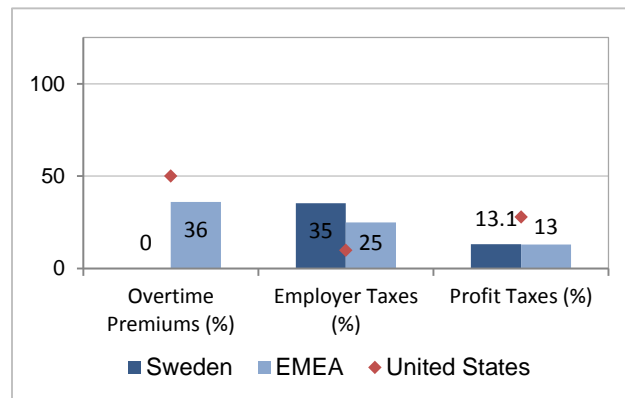
| | |
|------------------------|------------------|
| Total Workforce | 5,351,200 |
| Permanent Employees | 4,483,931 |
| Non Standard Workforce | 492,685 |
| Unemployed Workers | 374,584 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Sweden | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 13.0 weeks | 7.0 weeks |
| Severance Pay By Tenure | | |
| Tenure | Sweden | Regional Ave |
| 1 Year | 0 weeks | 2.5 weeks |
| 5 Years | 0 weeks | 8.5 weeks |

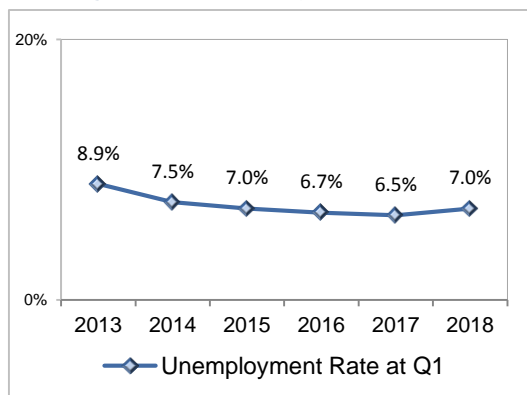
Other Cost Considerations



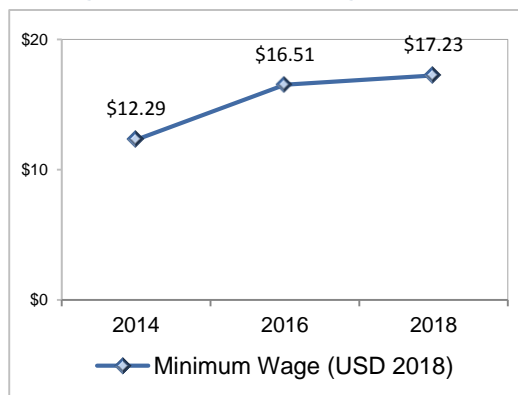
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Sweden does not have a minimum wage as it uses Collective Bargaining. The above rates are the lowest hourly pay in the manual section, excluding overtime.

Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Dec 17) | 1.7% |

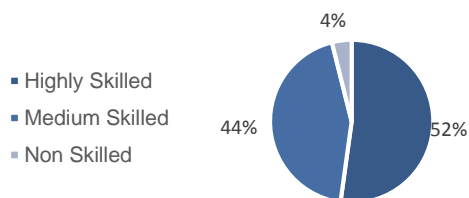
- The economy grew at 2.9% in 2017 and similar growth is expected in 2018.
- Due to skill shortages, a recent open letter to the Government from a group of company bosses requested that skilled migrants aren't deported.

Switzerland

Agriculture 4% Services 76% Industry 20%

Labor Market Workforce (6% Informal Workforce)

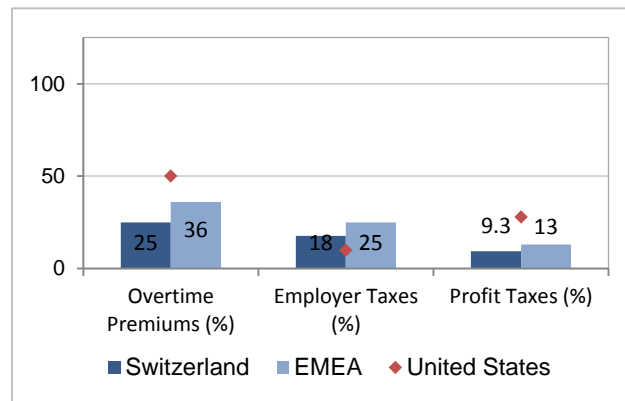
| | |
|------------------------|-----------|
| Total Workforce | 4,881,900 |
| Permanent Employees | 3,993,795 |
| Non Standard Workforce | 727,003 |
| Unemployed Workers | 161,103 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-------------|--------------|
| Tenure | Switzerland | Regional Ave |
| 1 Year | 8.7 weeks | 4.6 weeks |
| 5 Years | 8.7 weeks | 7.0 weeks |
| Severance Pay By Tenure | | |
| Tenure | Switzerland | Regional Ave |
| 1 Year | 0 weeks | 2.5 weeks |
| 5 Years | 0 weeks | 8.5 weeks |

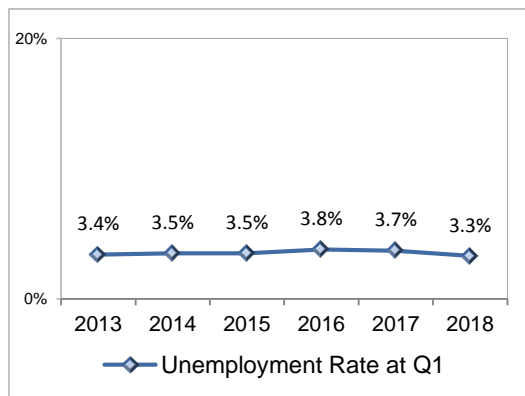
Other Cost Considerations



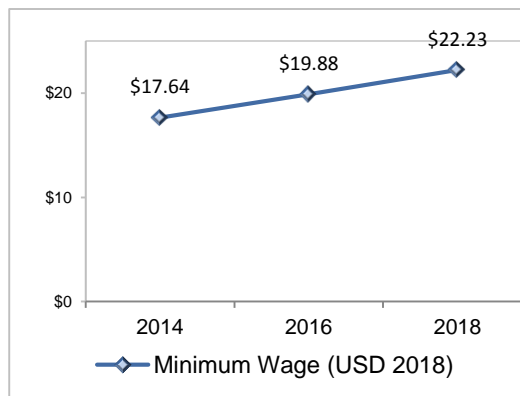
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- No national minimum wage. In 2017, Neuchâtel Canton introduced a minimum wage of 20 Fracs per hour. 2014 and 2016 figures refer to skilled Domestic help.

Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|------|
| Wage Inflation Rate | 0.3% |
| Inflation Rate (Jan 18) | 0.7% |

- Economic growth was 1.8% during 2017 and is expected to be 2.3% in 2018.

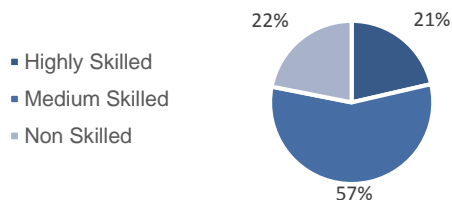
Tunisia

Agriculture 12% Services 59% Industry 29%

Labor Market

Workforce (11% Informal Workforce)

| | |
|------------------------|------------------|
| Total Workforce | 4,110,009 |
| Permanent Employees | 2,523,854 |
| Non Standard Workforce | 957,324 |
| Unemployed Workers | 628,831 |

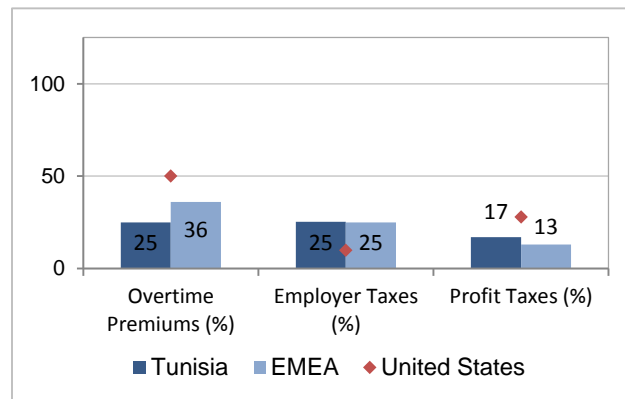


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Tunisia | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 4.3 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Tunisia | Regional Ave |
| 1 Year | 4.3 weeks | 2.5 weeks |
| 5 Years | 21.4 weeks | 8.5 weeks |

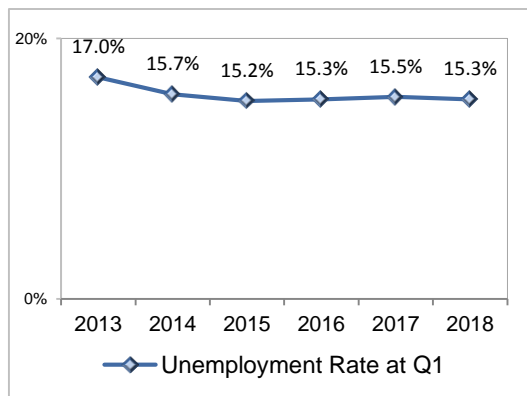
Other Cost Considerations



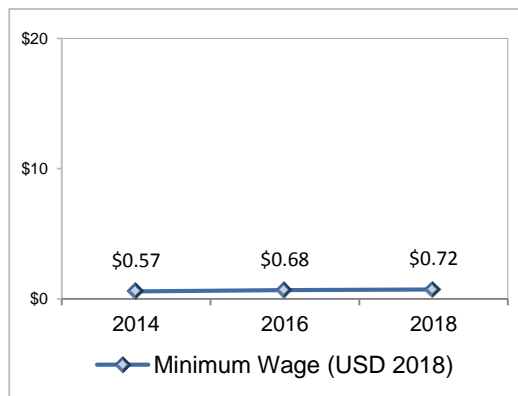
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Non Agricultural workers.

Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|------|
| Wage Inflation Rate | |
| Inflation Rate (Dec 17) | 6.4% |

- Recent protests over austerity measures and various tax increases. According to the budget, wages are expected to grow by 3% in 2018 but the public sector wage bill is expected to be lowered.
- Income from tourism in Tunisia has reportedly fallen by 40% since 2015.
- High youth unemployment ~30% of young higher education graduates are unemployed.

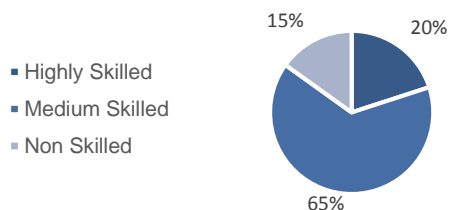
Turkey

Agriculture 20% Services 53% Industry 28%

Labor Market

Workforce (13% Informal Workforce)

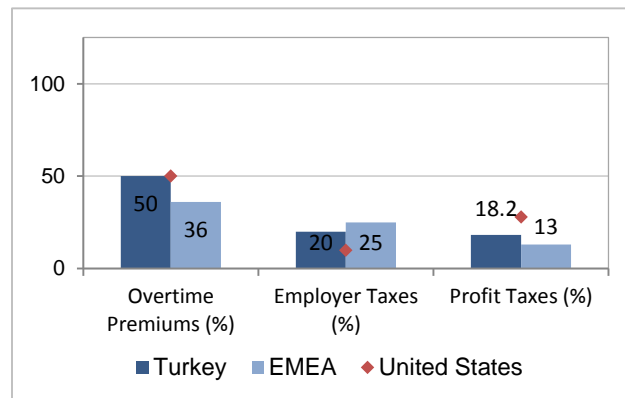
| | |
|------------------------|-------------------|
| Total Workforce | 32,184,000 |
| Permanent Employees | 19,602,084 |
| Non Standard Workforce | 9,266,964 |
| Unemployed Workers | 3,314,952 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Turkey | Regional Ave |
| 1 Year | 4.0 weeks | 4.6 weeks |
| 5 Years | 8.0 weeks | 7.0 weeks |
| Severance Pay By Tenure | | |
| Tenure | Turkey | Regional Ave |
| 1 Year | 4.3 weeks | 2.5 weeks |
| 5 Years | 21.7 weeks | 8.5 weeks |

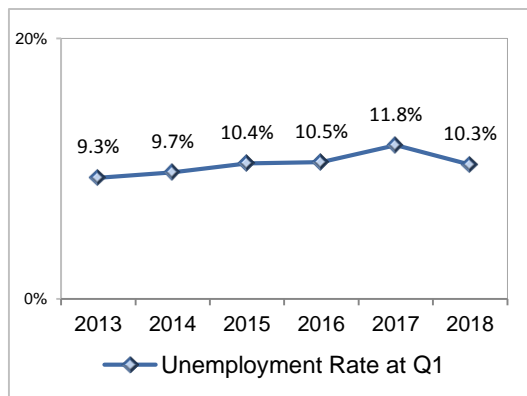
Other Cost Considerations



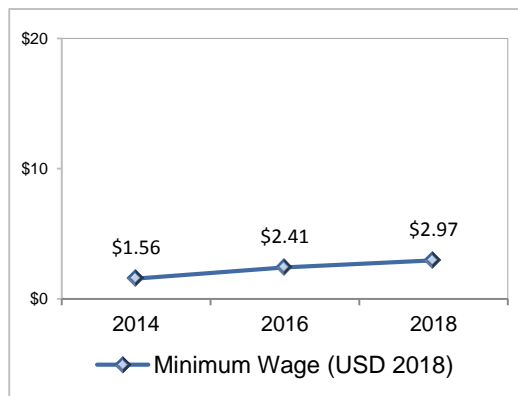
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|-------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Jan 18) | 10.4% |

- Turkey's Central Bank has forecast inflation at 7.9% during 2018.
- Despite a 14% increase in the minimum wage, it is still below the labor unions' demands.
- Turkey's Prime Minister has declared a crackdown on child labor. In 2016, there were over 700,000 children working in Turkey.

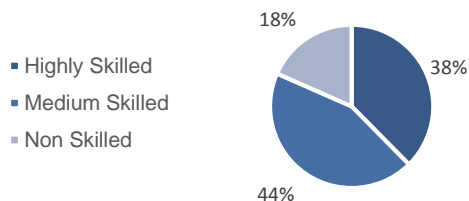
Ukraine

Agriculture 16% Services 60% Industry 25%

Labor Market

Workforce (7% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 20,510,114 |
| Permanent Employees | 15,433,574 |
| Non Standard Workforce | 3,251,140 |
| Unemployed Workers | 1,825,400 |

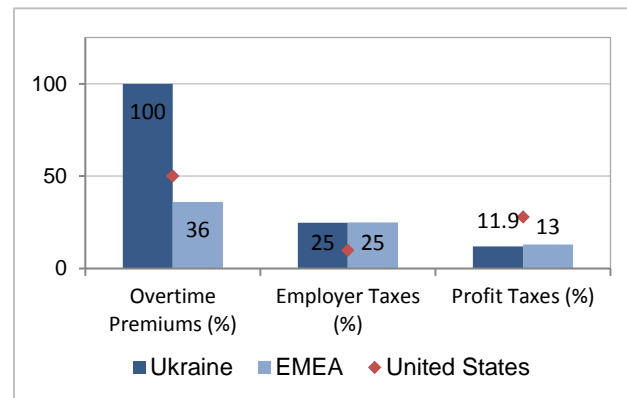


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Ukraine | Regional Ave |
| 1 Year | 8.7 weeks | 4.6 weeks |
| 5 Years | 8.7 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Ukraine | Regional Ave |
| 1 Year | 4.3 weeks | 2.5 weeks |
| 5 Years | 4.3 weeks | 8.5 weeks |

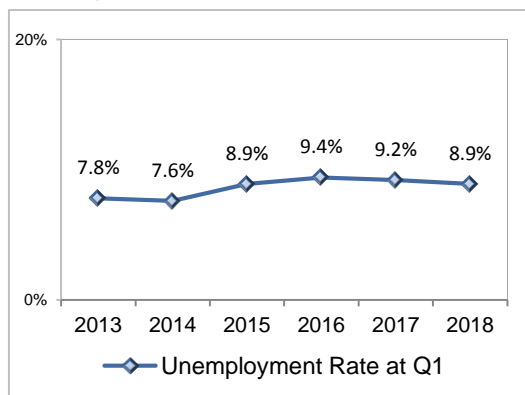
Other Cost Considerations



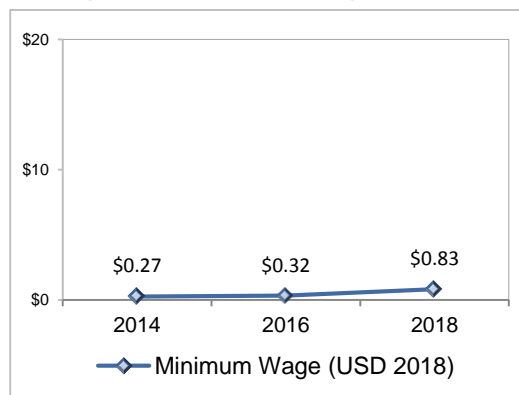
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|-------|
| Wage Inflation Rate (Dec 17) | 35.6% |
| Inflation Rate (Dec 17) | 13.7% |

- Cabinet ministers of Ukraine have a policy of increasing the average salary from UAH 8,777 (\$328 per month) to UAH 10,000 (\$374 per month) by the end of 2018.
- According to Intellinews, 2018 growth is forecast to be at 3.1% compared with growth of just over 2% over the past two years. Growth is being driven by the construction industry.

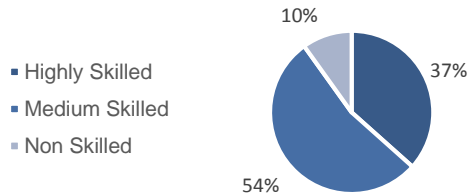
United Arab Emirates

Agriculture 4% Services 75% Industry 21%

Labor Market

Workforce (26% Informal Workforce)

| | |
|------------------------|-----------|
| Total Workforce | 6,447,171 |
| Permanent Employees | 6,009,911 |
| Non Standard Workforce | 192,268 |
| Unemployed Workers | 244,992 |

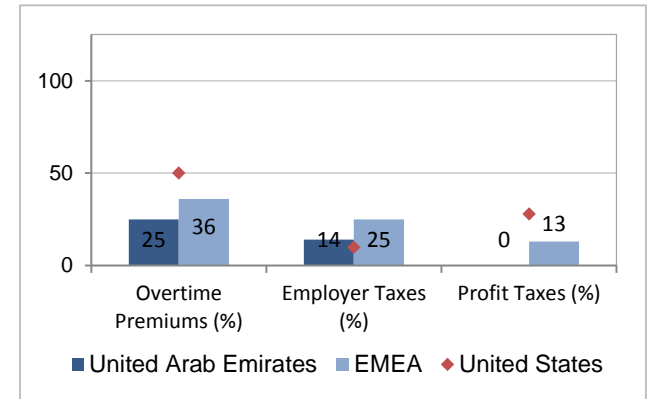


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | UAE | Regional Ave |
| 1 Year | 4.3 weeks | 4.6 weeks |
| 5 Years | 4.3 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|---------|--------------|
| Tenure | UAE | Regional Ave |
| 1 Year | 0 weeks | 2.5 weeks |
| 5 Years | 0 weeks | 8.5 weeks |

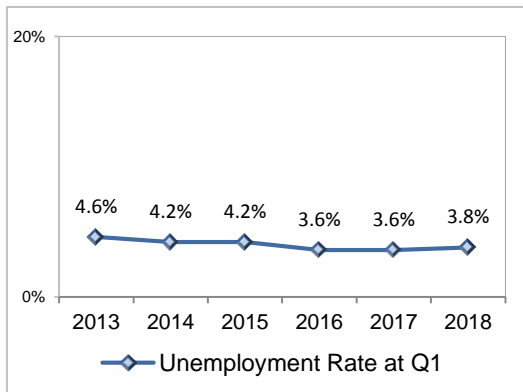
Other Cost Considerations



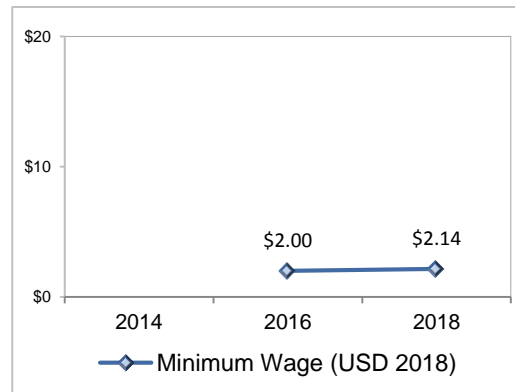
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|--------------------------|------|
| Wage Inflation Rate (Q3) | 4.3% |
| Inflation Rate (Dec 17) | 2.7% |

- Nominal wages in the UAE are expected to rise by 4.1% this year but inflation is forecast to be at 4.6%.
- The UAE introduced VAT at a rate of 5% in January.

- UAE doesn't have a minimum wage – this is the minimum wage set by the Philippines Government for domestic workers in the UAE.

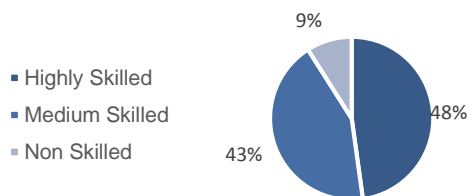
United Kingdom

Agriculture 1% Services 81% Industry 18%

Labor Market

Workforce (7% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 33,493,800 |
| Permanent Employees | 27,117,317 |
| Non Standard Workforce | 4,936,249 |
| Unemployed Workers | 1,440,233 |

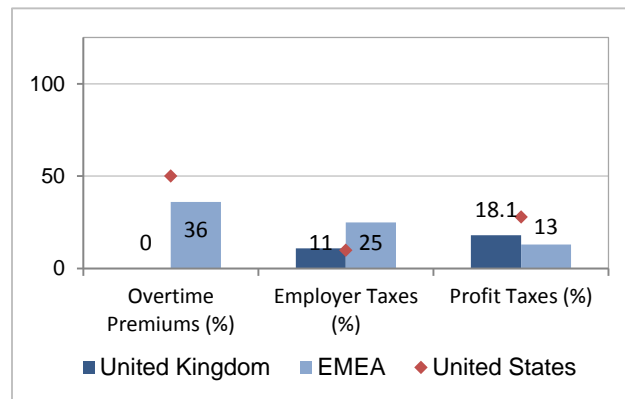


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|----------------|--------------|
| Tenure | United Kingdom | Regional Ave |
| 1 Year | 1.0 weeks | 4.6 weeks |
| 5 Years | 5.0 weeks | 7.0 weeks |

| Severance Pay By Tenure | | |
|-------------------------|----------------|--------------|
| Tenure | United Kingdom | Regional Ave |
| 1 Year | 0 weeks | 2.5 weeks |
| 5 Years | 3.5 weeks | 8.5 weeks |

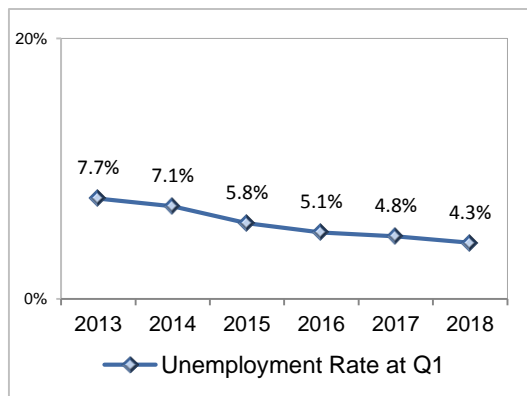
Other Cost Considerations



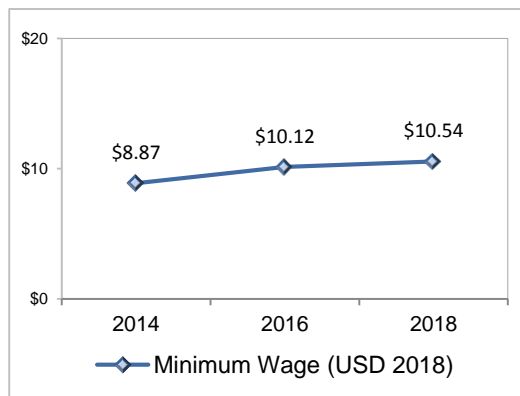
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Since April 2016, the National Living Wage for workers over the age of 25 yrs. Different rates apply to 1st yr apprentices and workers < 25 yrs.

Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Dec 17) | 2.5% |
| Inflation Rate (Dec 17) | 3.0% |

- Minimum wage is due to increase in April. It is estimated that there are 2 million minimum wage workers in the UK.
- Recent job losses have been announced across a number of industries including construction, banking, utilities and retail. Job losses are expected to increase in the lead up to BREXIT.



Detailed Country Analysis: Asia-Pacific

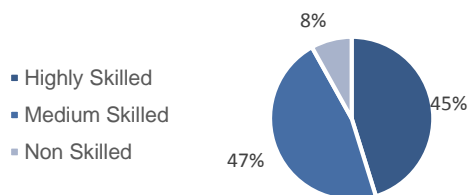
Australia

Agriculture 3% Services 76% Industry 21%

Labor Market

Workforce (6% Informal Workforce)

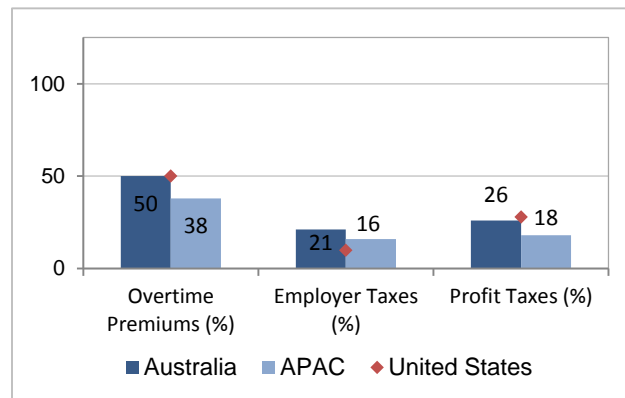
| | |
|------------------------|-------------------|
| Total Workforce | 13,177,300 |
| Permanent Employees | 10,335,615 |
| Non Standard Workforce | 2,116,933 |
| Unemployed Workers | 724,752 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Australia | Regional Ave |
| 1 Year | 1.0 weeks | 2.9 weeks |
| 5 Years | 4.0 weeks | 3.8 weeks |
| Severance Pay By Tenure | | |
| Tenure | Australia | Regional Ave |
| 1 Year | 4.0 weeks | 3.4 weeks |
| 5 Years | 10.0 weeks | 12.5 weeks |

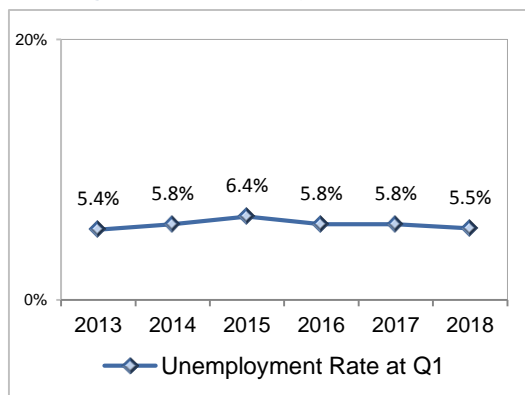
Other Cost Considerations



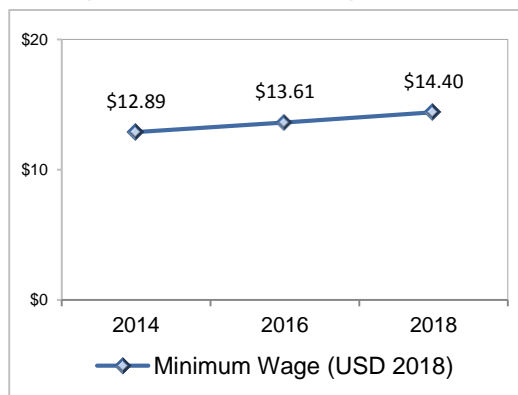
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Aug 17) | 1.5% |
| Inflation Rate (Dec 17) | 1.9% |

- Despite the number of jobs in Australia growing by 16,000 in January, full time jobs fell by 49,800 offset by an increase in part-time employment of 65,900.

- Casual employees who are working for minimum wage must also receive at least a 25% casual loading.

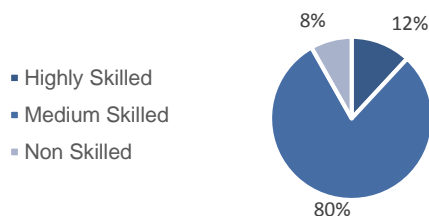
China

Agriculture 27% Services 49% Industry 24%

Labor Market

Workforce (18% Informal Workforce)

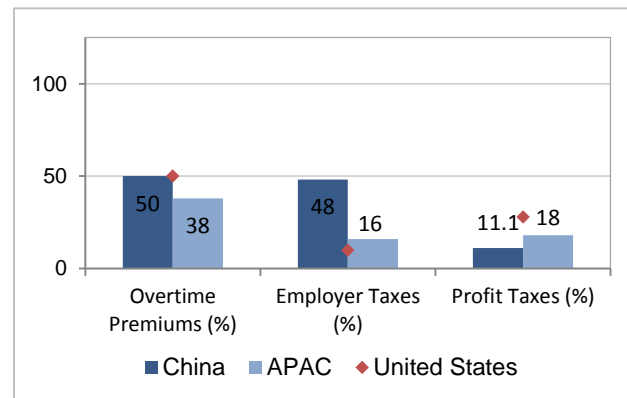
| | |
|------------------------|--------------------|
| Total Workforce | 785,399,319 |
| Permanent Employees | 480,787,691 |
| Non Standard Workforce | 273,981,055 |
| Unemployed Workers | 30,630,573 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | China | Regional Ave |
| 1 Year | 4.3 weeks | 2.9 weeks |
| 5 Years | 4.3 weeks | 3.8 weeks |
| Severance Pay By Tenure | | |
| Tenure | China | Regional Ave |
| 1 Year | 4.3 weeks | 3.4 weeks |
| 5 Years | 21.7 weeks | 12.5 weeks |

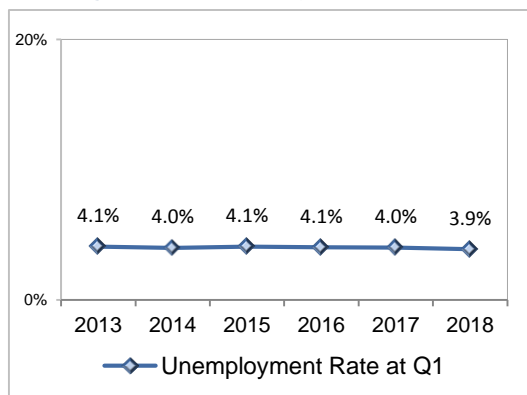
Other Cost Considerations



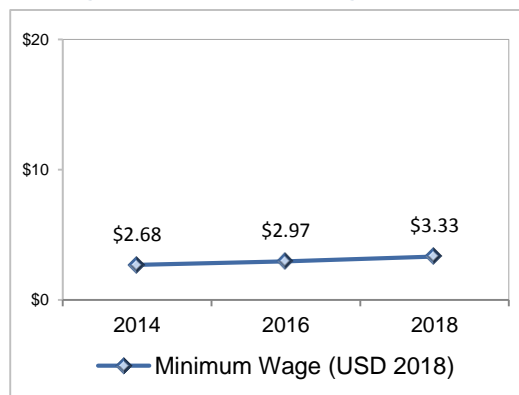
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Minimum wages are dependent on location and vary significantly across China. These rates are for Beijing.

Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Dec 16) | 6.8% |
| Inflation Rate (Jan 18) | 1.5% |

- The National Development and Reform Commission has said that China needs to boost its job creation and promote entrepreneurship.
- The NDRC expects that 8.2 million college graduates will enter the job market this year.
- In 2017, 13.51 million new jobs were reported to be created in urban areas.

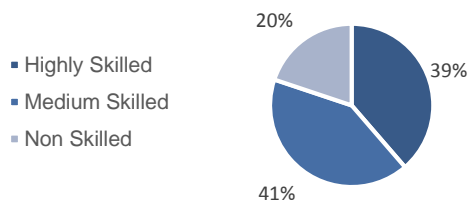
Hong Kong

Agriculture 0% Services 85% Industry 15%

Labor Market

Workforce (6% Informal Workforce)

| | |
|------------------------|------------------|
| Total Workforce | 3,960,400 |
| Permanent Employees | 3,499,449 |
| Non Standard Workforce | 346,099 |
| Unemployed Workers | 114,852 |

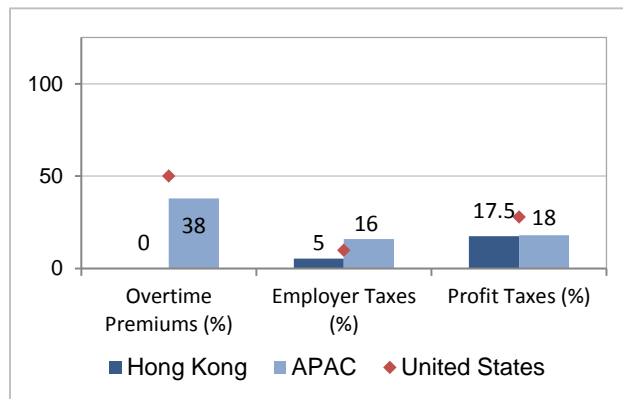


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Hong Kong | Regional Ave |
| 1 Year | 4.3 weeks | 2.9 weeks |
| 5 Years | 4.3 weeks | 3.8 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Hong Kong | Regional Ave |
| 1 Year | 0 weeks | 3.4 weeks |
| 5 Years | 1.4 weeks | 12.5 weeks |

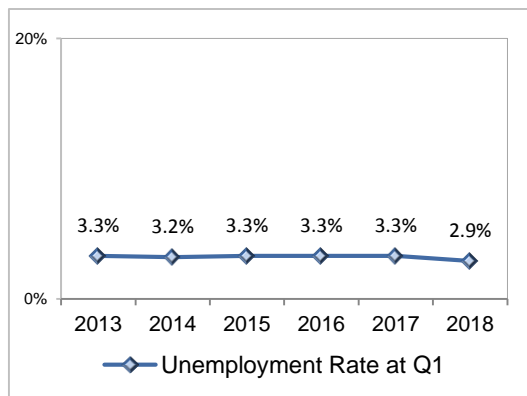
Other Cost Considerations



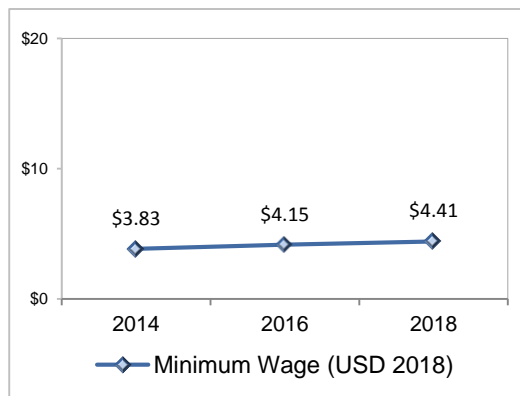
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Oct 17) | 3.0% |
| Inflation Rate (Jan 18) | 1.7% |

- The unemployment rate in Hong Kong is the lowest it has been in almost 20 years.
- The Hong Kong government is conducting a study into the long hours resulting in death at work. Hong Kong Census data shows that 11.1% of employees work 60 or more hours a week. The government is working on sector specific guidelines for the working week.

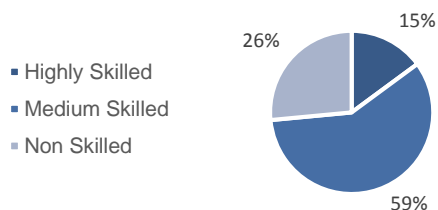
India

Agriculture 44% Services 31% Industry 25%

Labor Market

Workforce (41% Informal Workforce)

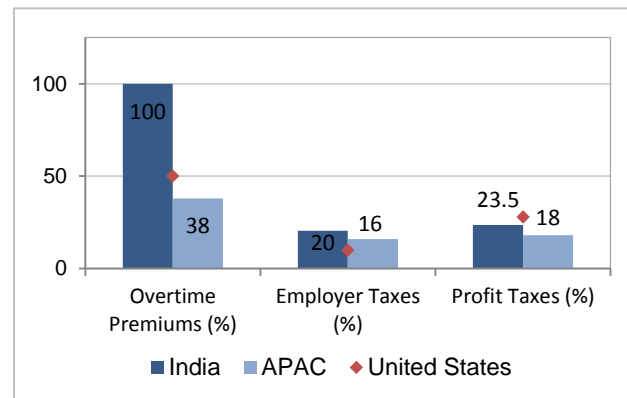
| | |
|------------------------|--------------------|
| Total Workforce | 520,199,005 |
| Permanent Employees | 105,810,558 |
| Non Standard Workforce | 395,661,282 |
| Unemployed Workers | 18,727,164 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | India | Regional Ave |
| 1 Year | 4.3 weeks | 2.9 weeks |
| 5 Years | 4.3 weeks | 3.8 weeks |
| Severance Pay By Tenure | | |
| Tenure | India | Regional Ave |
| 1 Year | 2.1 weeks | 3.4 weeks |
| 5 Years | 10.7 weeks | 12.5 weeks |

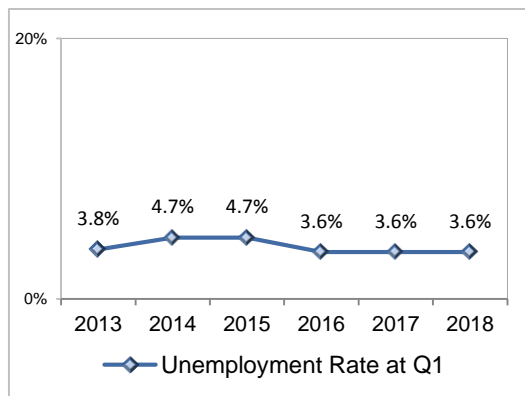
Other Cost Considerations



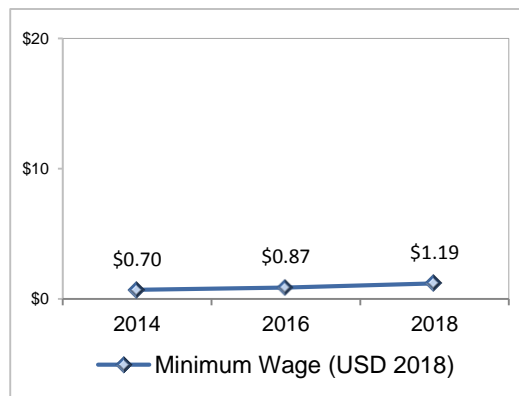
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Minimum wages in India vary depending on location, occupation and skill. This minimum wage relates to a semi-skilled worker in Delhi.

Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Dec 17) | 5.2% |

- According to the Reserve Bank of India, economic growth is projected to be 6.6% in 2018 and 7.2% in 2019
- The Indian workforce is expected to grow by approximately 12 million per year for the next 15 years.

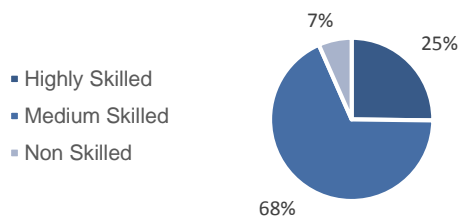
Japan

Agriculture 4% Services 69% Industry 27%

Labor Market

Workforce (7% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 66,427,560 |
| Permanent Employees | 57,787,992 |
| Non Standard Workforce | 6,779,597 |
| Unemployed Workers | 1,859,972 |

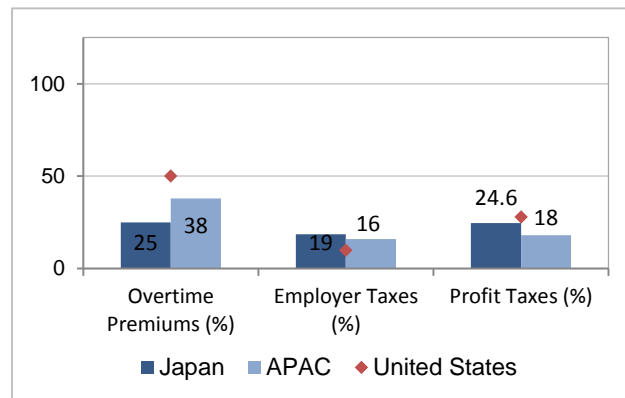


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Japan | Regional Ave |
| 1 Year | 4.3 weeks | 2.9 weeks |
| 5 Years | 4.3 weeks | 3.8 weeks |

| Severance Pay By Tenure | | |
|-------------------------|---------|--------------|
| Tenure | Japan | Regional Ave |
| 1 Year | 0 weeks | 3.4 weeks |
| 5 Years | 0 weeks | 12.5 weeks |

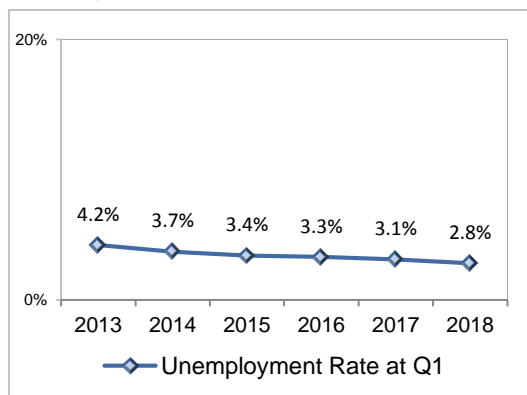
Other Cost Considerations



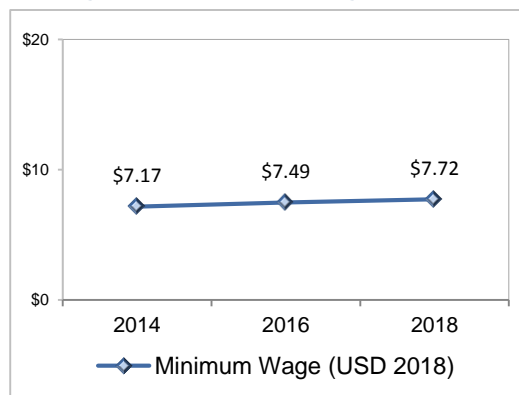
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Different regions have different minimum wages. This is a mid-level minimum wage.

Nominal Wage Inflation and Inflation

| Year on Year | |
|-----------------------------------|-------|
| Real Wage Inflation Rate (Dec 17) | -0.2% |
| Inflation Rate (Dec 17) | 1.0% |

- The economy of Japan has experienced eight consecutive quarters of growth which is the longest since 1990.
- Prime Minister Abe has been promoting wage increases of 3% in an attempt to increase domestic consumption and move inflation towards the 2% target.
- The jobs to applicant ratio is at ~1.6 jobs for each applicant.

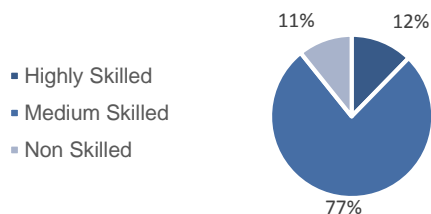
Macau

Agriculture 0% Services 82% Industry 18%

Labor Market

Workforce (18% Informal Workforce)

| | |
|------------------------|----------------|
| Total Workforce | 382,381 |
| Permanent Employees | 349,233 |
| Non Standard Workforce | 25,883 |
| Unemployed Workers | 7,265 |

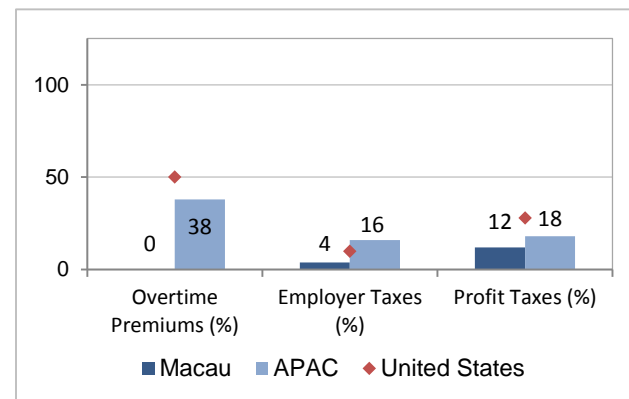


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Macau | Regional Ave |
| 1 Year | 2.1 weeks | 2.9 weeks |
| 5 Years | 3.0 weeks | 3.8 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Macau | Regional Ave |
| 1 Year | 1.0 weeks | 3.4 weeks |
| 5 Years | 9.3 weeks | 12.5 weeks |

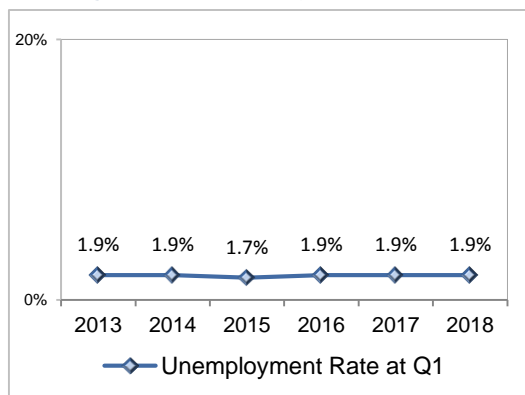
Other Cost Considerations



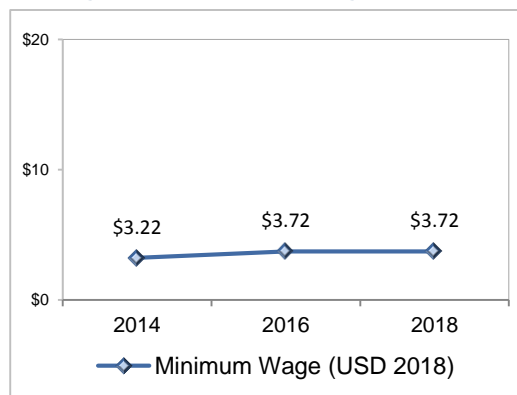
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Current discussions to increase the minimum wage.

Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|----------------------|
| Wage Inflation Rate (Dec 17) | 3.3% Local residents |
| Inflation Rate (Dec 17) | 2.0% |

- Wages in construction were up by 5.9% year on year

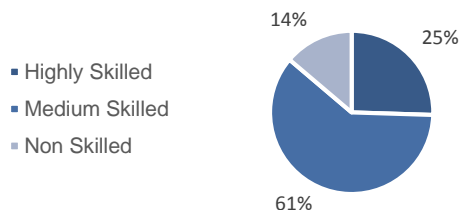
Malaysia

Agriculture 12% Services 61% Industry 27%

Labor Market

Workforce (10% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 15,432,885 |
| Permanent Employees | 11,103,158 |
| Non Standard Workforce | 3,820,442 |
| Unemployed Workers | 509,285 |

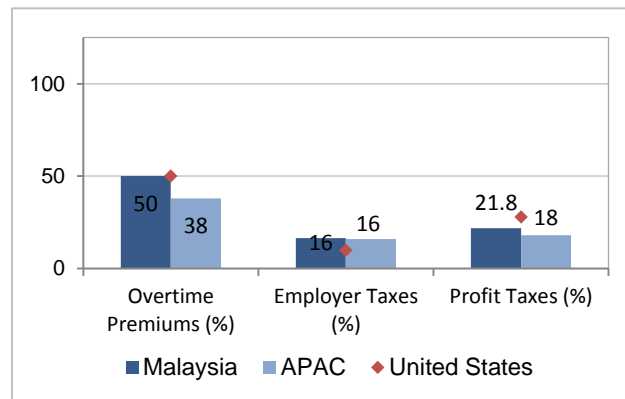


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Malaysia | Regional Ave |
| 1 Year | 4.0 weeks | 2.9 weeks |
| 5 Years | 8.0 weeks | 3.8 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Malaysia | Regional Ave |
| 1 Year | 1.7 weeks | 3.4 weeks |
| 5 Years | 16.7 weeks | 12.5 weeks |

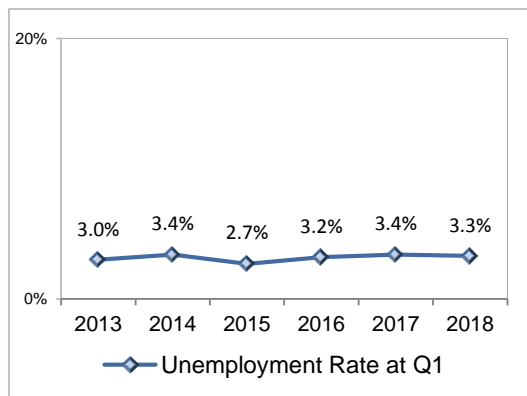
Other Cost Considerations



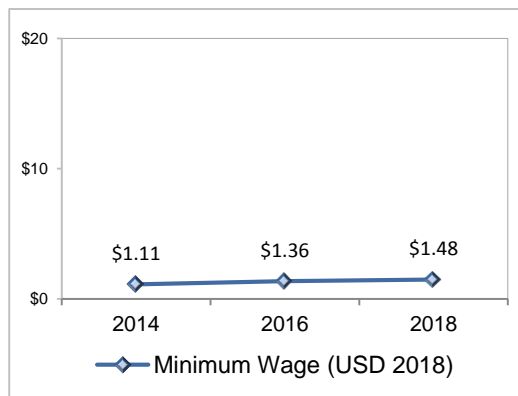
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Minimum wage depends on location. This wage refers to the Peninsula. A new minimum wage in 2018 is expected to minimise disparity between the areas.

Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|---------------------|
| Wage Inflation Rate (Dec 17) | Private sector 6.3% |
| Inflation Rate (Dec 17) | 3.7% |

- Economic growth in Malaysia was 5.9% in 2017.
- The manufacturing sector has seen the biggest increases in wages with a rise of more than 9% since April.
- The Malaysian Employers Federation expects that wage increases will be lower than 2017 this year as employers now need to pay a levy for foreign workers and some increases to social insurance.

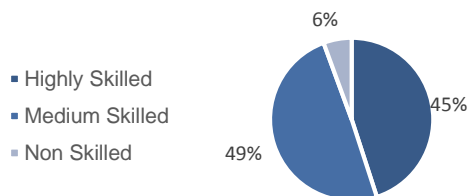
New Zealand

Agriculture 6% Services 73% Industry 21%

Labor Market

Workforce (8% Informal Workforce)

| | |
|------------------------|------------------|
| Total Workforce | 2,716,000 |
| Permanent Employees | 2,137,275 |
| Non Standard Workforce | 456,505 |
| Unemployed Workers | 122,220 |

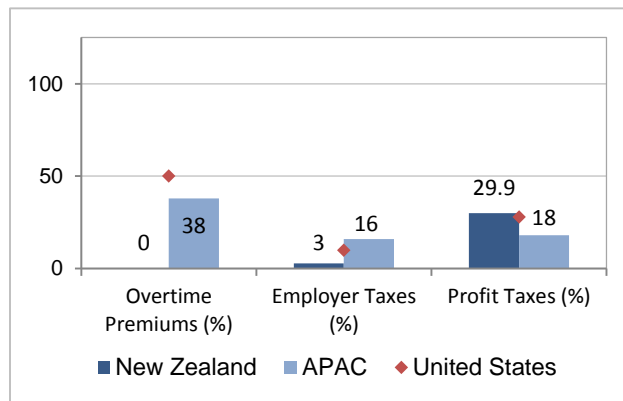


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-------------|--------------|
| Tenure | New Zealand | Regional Ave |
| 1 Year | 0 weeks | 2.9 weeks |
| 5 Years | 0 weeks | 3.8 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-------------|--------------|
| Tenure | New Zealand | Regional Ave |
| 1 Year | 0 weeks | 3.4 weeks |
| 5 Years | 0 weeks | 12.5 weeks |

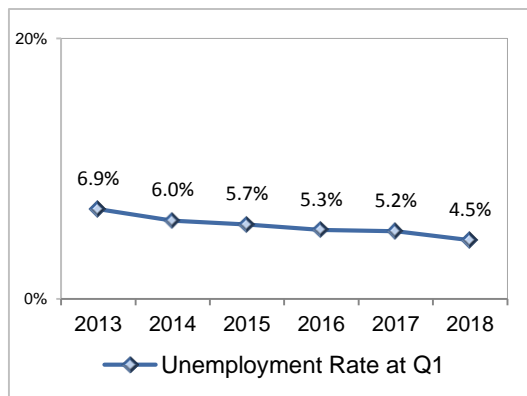
Other Cost Considerations



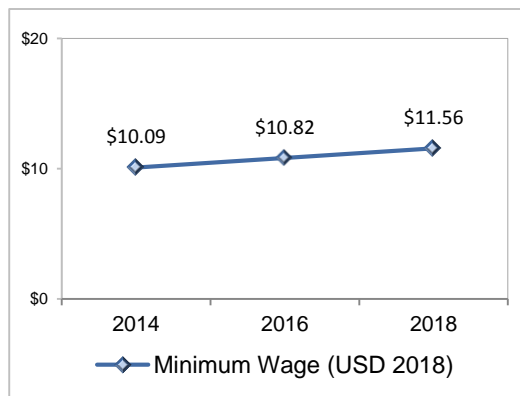
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Jan 18) | 3.1% |
| Inflation Rate (Dec 17) | 1.6% |

- Minimum wage which is currently NZ \$15.75 is set to increase to NZ\$16.50 in April. Average hourly wage in New Zealand is currently NZ\$30.74.
- GDP growth is 0.6% to September 2017.
- The Ministry of Business, Innovation and Employment expects New Zealand employment to grow by 2% or 153,00 over the next 3 years. Skilled and professional jobs are expected to account for nearly 95,000 of this increase with business services adding 33,000 jobs.

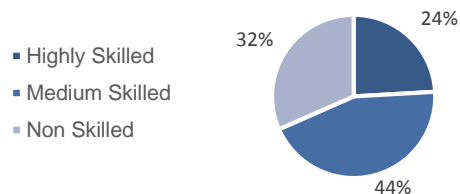
Philippines

Agriculture 28% Services 56% Industry 16%

Labor Market

Workforce (31% Informal Workforce)

| | |
|------------------------|------------|
| Total Workforce | 44,643,761 |
| Permanent Employees | 25,998,294 |
| Non Standard Workforce | 16,413,279 |
| Unemployed Workers | 2,232,188 |

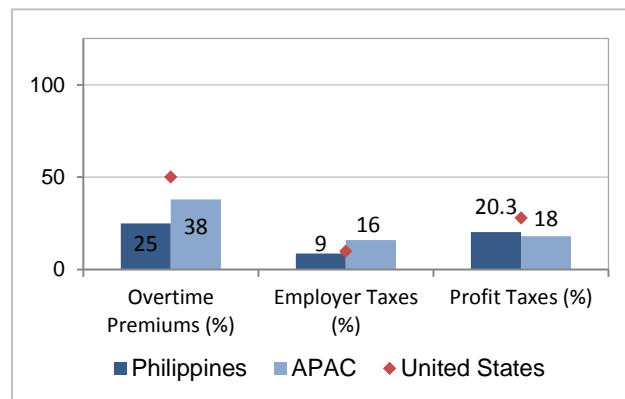


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-------------|--------------|
| Tenure | Philippines | Regional Ave |
| 1 Year | 4.3 weeks | 2.9 weeks |
| 5 Years | 4.3 weeks | 3.8 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-------------|--------------|
| Tenure | Philippines | Regional Ave |
| 1 Year | 4.3 weeks | 3.4 weeks |
| 5 Years | 21.7 weeks | 12.5 weeks |

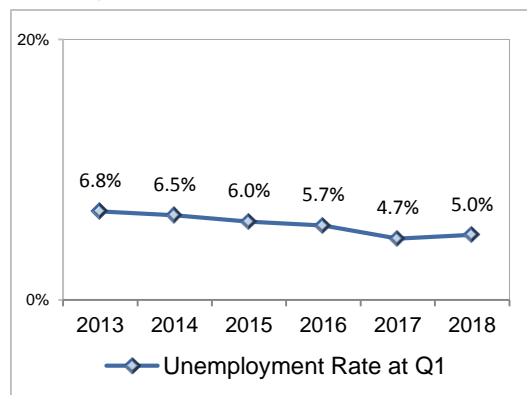
Other Cost Considerations



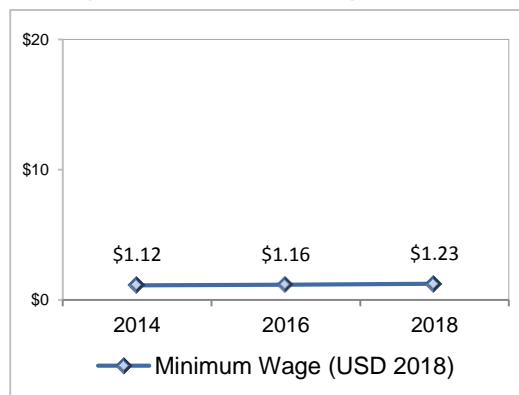
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Jan 18) | 4.0% |

- There are 4 million workers on minimum wage in The Philippines.
- Current proposals for a voucher subsidy to be implemented to assist minimum wage earners struggling with the increasing cost of living.

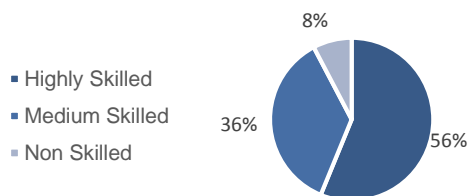
Singapore

Agriculture 0% Services 83% Industry 17%

Labor Market

Workforce (6% Informal Workforce)

| | |
|------------------------|-----------|
| Total Workforce | 3,310,882 |
| Permanent Employees | 2,784,323 |
| Non Standard Workforce | 457,031 |
| Unemployed Workers | 69,529 |

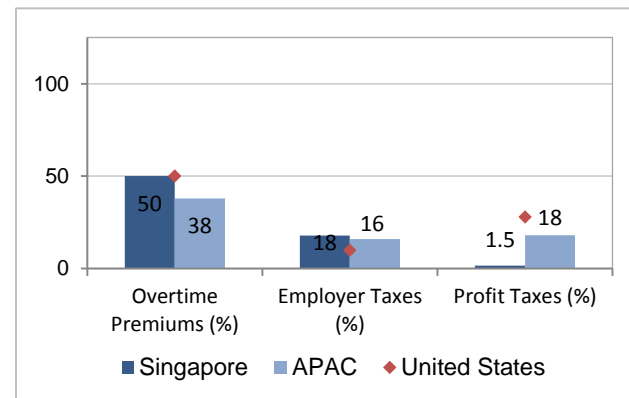


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Singapore | Regional Ave |
| 1 Year | 1.0 weeks | 2.9 weeks |
| 5 Years | 4.0 weeks | 3.8 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Singapore | Regional Ave |
| 1 Year | 0 weeks | 3.4 weeks |
| 5 Years | 0 weeks | 12.5 weeks |

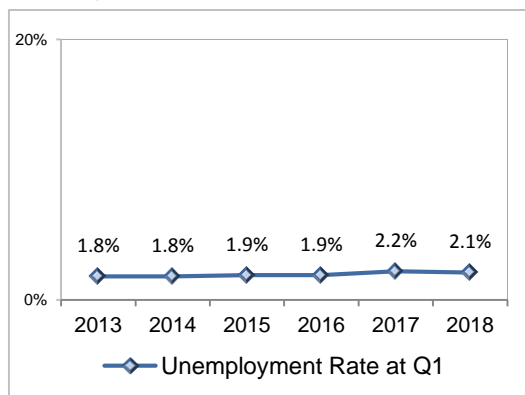
Other Cost Considerations



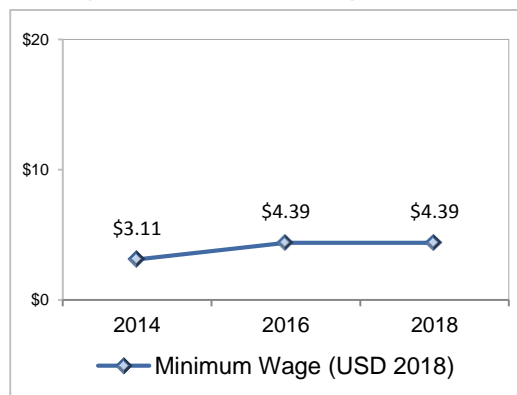
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Singapore only has a minimum wage for workers in the cleaning and security sectors. This is the security sector minimum wage.

Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Oct 17) | 3.2% |
| Inflation Rate (Dec 18) | 0.4% |

- In his most recent budget, the finance minister has announced an extension of the Wage Credit Scheme until 2020. Under this scheme, the government pays a percentage of the pay rise for eligible low earning Singaporeans.

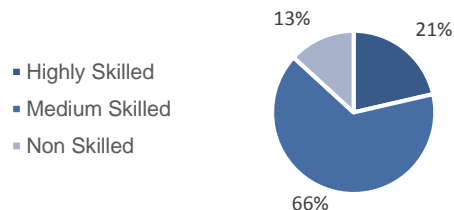
South Korea

Agriculture 5% Services 70% Industry 25%

Labor Market

Workforce (11% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 27,876,549 |
| Permanent Employees | 18,972,333 |
| Non Standard Workforce | 7,900,660 |
| Unemployed Workers | 1,003,556 |

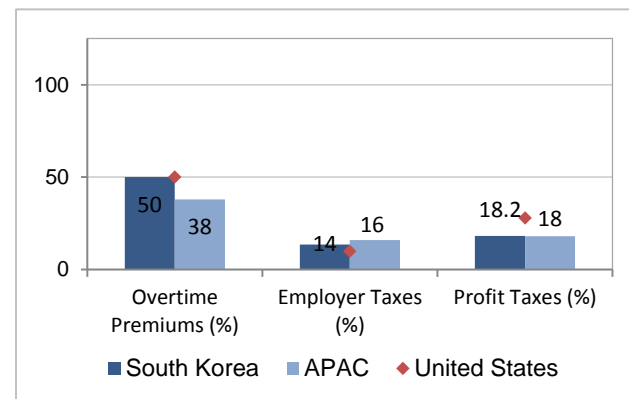


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-------------|--------------|
| Tenure | South Korea | Regional Ave |
| 1 Year | 4.3 weeks | 2.9 weeks |
| 5 Years | 4.3 weeks | 3.8 weeks |

| Severance Pay By Tenure | | |
|-------------------------|-------------|--------------|
| Tenure | South Korea | Regional Ave |
| 1 Year | 4.3 weeks | 3.4 weeks |
| 5 Years | 21.7 weeks | 12.5 weeks |

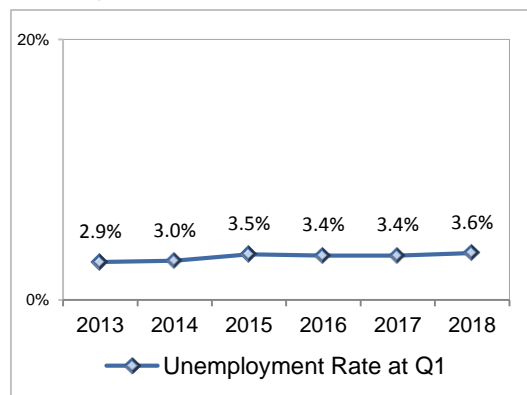
Other Cost Considerations



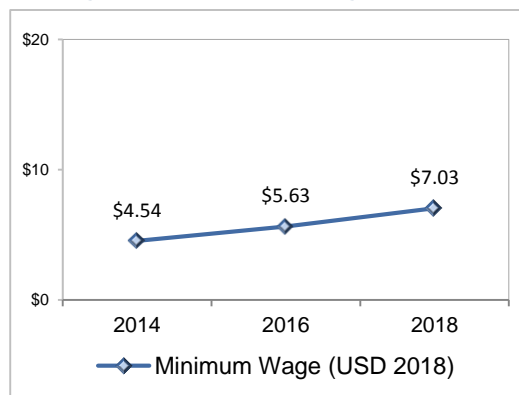
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Jan 18) | 1.0% |

- A number of laws are being introduced in South Korea. Maximum working hours will be decreased to 52 hours a week from 68.
- The most recent minimum wage rise of 16% has been met with complaints by business groups. President Moon wants to raise the minimum wage by another third before 2020.
- It is estimated that 14% of South Koreans were paid less than minimum wage in 2016.

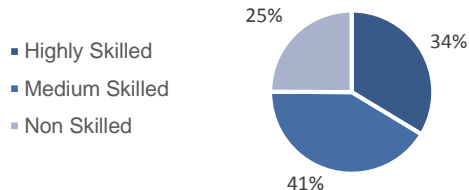
Taiwan

Agriculture 5% Services 59% Industry 36%

Labor Market

Workforce (18% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 11,831,000 |
| Permanent Employees | 9,023,456 |
| Non Standard Workforce | 2,369,797 |
| Unemployed Workers | 437,747 |

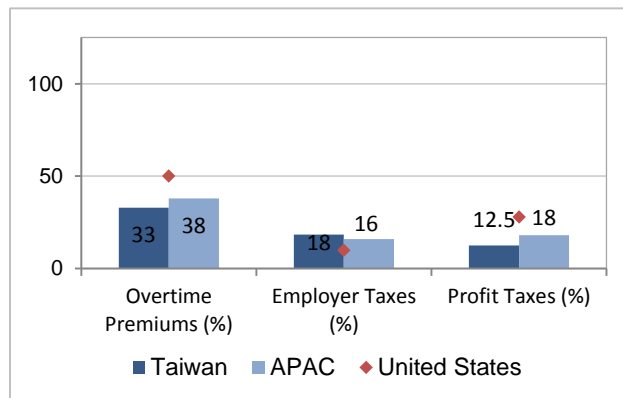


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Taiwan | Regional Ave |
| 1 Year | 2.9 weeks | 2.9 weeks |
| 5 Years | 4.3 weeks | 3.8 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Taiwan | Regional Ave |
| 1 Year | 2.2 weeks | 3.4 weeks |
| 5 Years | 10.8 weeks | 12.5 weeks |

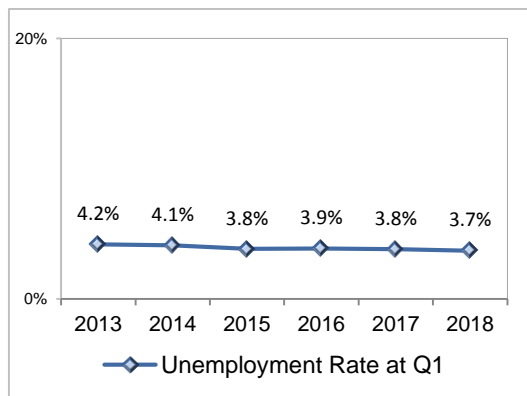
Other Cost Considerations



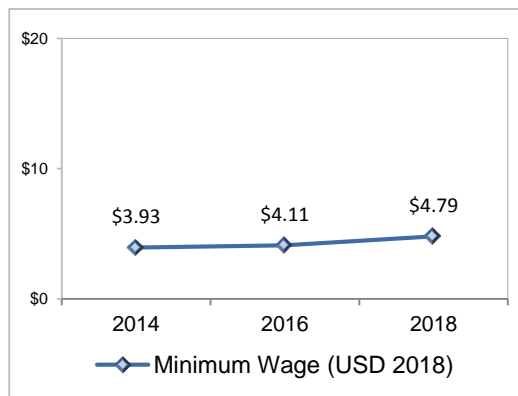
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



Nominal Wage Inflation and Inflation

| Year on Year | |
|------------------------------|------|
| Wage Inflation Rate (Dec 18) | 2.8% |
| Inflation Rate (Jan 18) | 0.9% |

- Changes to overtime and how it is paid will take affect from the March 1st.
- Foxconn has announced that it is automating 10,000 Taiwanese jobs in 2018. Conversely, there are currently 6,000 open jobs in developing Artificial Intelligence.

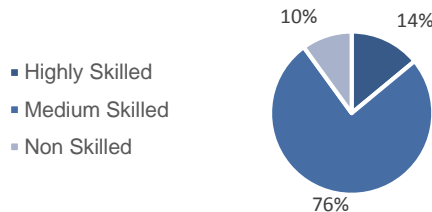
Thailand

Agriculture 34% Services 43% Industry 23%

Labor Market

Workforce (42% Informal Workforce)

| | |
|------------------------|-------------------|
| Total Workforce | 39,134,876 |
| Permanent Employees | 18,248,201 |
| Non Standard Workforce | 20,495,326 |
| Unemployed Workers | 391,349 |

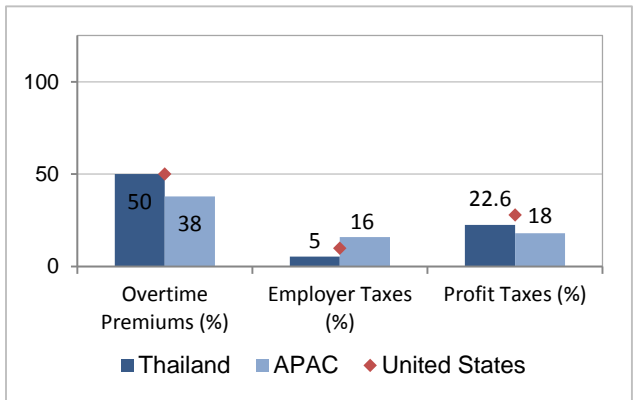


Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|-----------|--------------|
| Tenure | Thailand | Regional Ave |
| 1 Year | 4.3 weeks | 2.9 weeks |
| 5 Years | 4.3 weeks | 3.8 weeks |

| Severance Pay By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Thailand | Regional Ave |
| 1 Year | 15.0 weeks | 3.4 weeks |
| 5 Years | 30.0 weeks | 12.5 weeks |

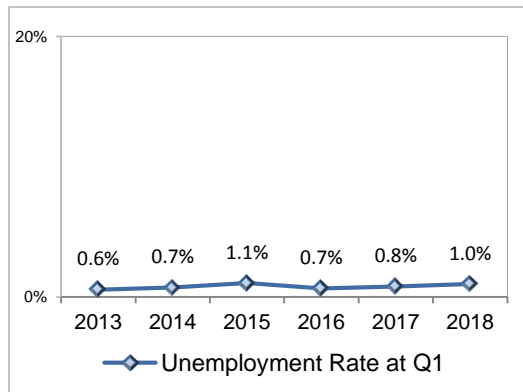
Other Cost Considerations



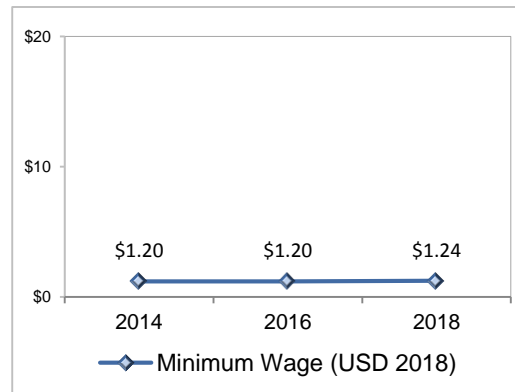
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Depends on location.

Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Jan 18) | 0.7% |

- Minimum wage is due to increase in April.
- Economic growth in 2017 was 3.9% and the central bank has predicted that it will be similar in 2018.
- The Thai Prime Minister is working towards "Thailand 4.0" which is to provide a high technology, innovation based industry. The aim is to achieve high income status by 2036.

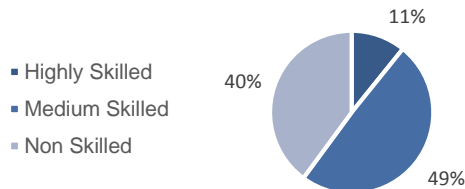
Vietnam

Agriculture 42% Services 35% Industry 23%

Labor Market

Workforce (43% Informal Workforce)

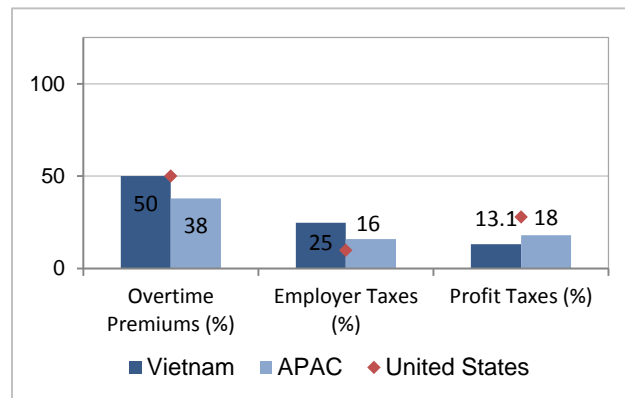
| | |
|------------------------|-------------------|
| Total Workforce | 56,358,750 |
| Permanent Employees | 22,861,206 |
| Non Standard Workforce | 32,359,098 |
| Unemployed Workers | 1,138,447 |



Redundancy and Dismissal

| Notice Period By Tenure | | |
|-------------------------|------------|--------------|
| Tenure | Vietnam | Regional Ave |
| 1 Year | 0 weeks | 2.9 weeks |
| 5 Years | 0 weeks | 3.8 weeks |
| Severance Pay By Tenure | | |
| Tenure | Vietnam | Regional Ave |
| 1 Year | 8.7 weeks | 3.4 weeks |
| 5 Years | 21.7 weeks | 12.5 weeks |

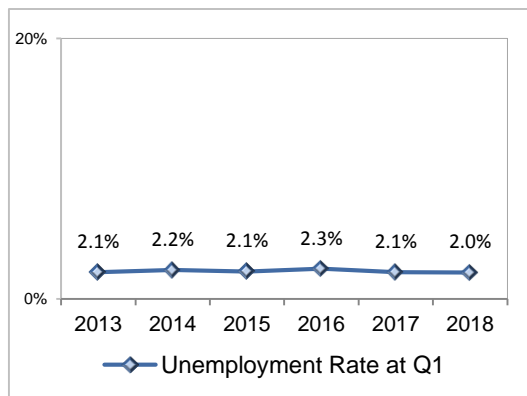
Other Cost Considerations



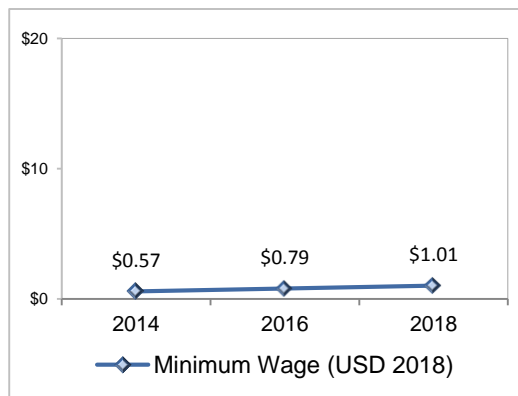
Source: <http://www.doingbusiness.org/>

Economic Climate

Changes to Unemployment Rates



Changes to Minimum Wage (2018 USD rate)



- Varies by region, this relates to region 1 which includes Ho Chi Minh City.

Nominal Wage Inflation and Inflation

| Year on Year | |
|-------------------------|-------|
| Wage Inflation Rate | N/A |
| Inflation Rate (Jan 18) | 3.15% |

- Ho Chi Minh City has recently announced that it will raise public sector wages.
- A recent study by Korn Ferry Human Resources Company anticipates that wage growth in Vietnam will be between 4% and 5% during 2018.



Available Thought Leadership



Quarterly Market Report

<https://insights.manpowergroupsolutions.com/thought-leadership/quarterly-market-report/>



Total Workforce Index

<http://www.manpowergroupsolutions.com/twi>



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