Яков и Партнёры

> Setting Sights on Development

Business world pulse-check



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Survey goals and respondents

The survey aimed to poll Russian business leaders on the current state and near-future prospects of the companies they run, as well as their priorities and the challenges they are facing.

The survey is carried out every 6 months among CEOs of companies with an annual turnover of over RUB 5 bn. The poll conducted in June 2023 covered 126 managers of companies representing all key industries of the national economy



Executive summary

Business leaders are optimistic and keep their sights firmly on development

More than half of Russia's business leaders noticed improvements in their businesses over the past 6 months. The number of those who believe their businesses have deteriorated has decreased vs. the December 2022 figures.

More than 80% of the respondents are confident that things will pick up or remain unchanged over the next 6 months.

CEOs' priorities for the next 6 months include attracting and retaining talent, tapping into new markets, and launching new investment projects. This is a marked difference from the December 2022 poll results, when cost reduction and supply chain adjustments came to the fore. Judging by the sentiments among the CEOs, it can reasonably be concluded that there is a new-found optimism in the Russian business world following a series of sanctions.

2 Foreign trade restrictions and geopolitical tensions remain the key challenges

Foreign trade bans and prospects of further sanctions are the main challenges facing the majority of the respondents.

Declining purchasing power, inflation, and climate change seem to concern business leaders the least.

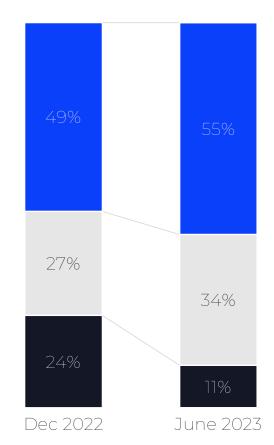
Development of artificial intelligence may have some impact on businesses within one year but does not pose any threats

Two thirds of those surveyed believe that AI will impact their companies on the horizon of I year, helping businesses reduce costs and increase both product personalization and revenues. Only 10% of the respondents believe AI will pose risks to their businesses.

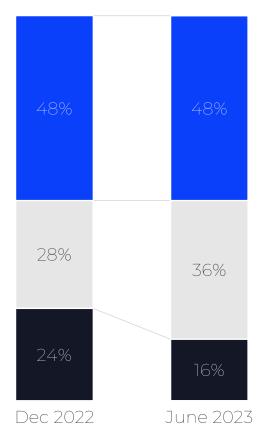
■ Improved ■ Stable

Deteriorated

More than 80% of business leaders in Russia noticed improvements in or stabilization of their businesses over the past 6 months, while the share of those who expect a downturn has shrunk How would you assess the current state of your business vs. 6 months ago?¹



How would you assess the prospects of your business in 6 months?¹



Source: CEO Barometer Survey by Yakov & Partners, December 2022 and June 2023

^{1.} The share of all those surveyed

Talent attraction and retention, tapping into new markets and launch of investment projects are on the top of the CEO agenda for the upcoming months

Which of the below do you find the most important for your company for the next 6 months?

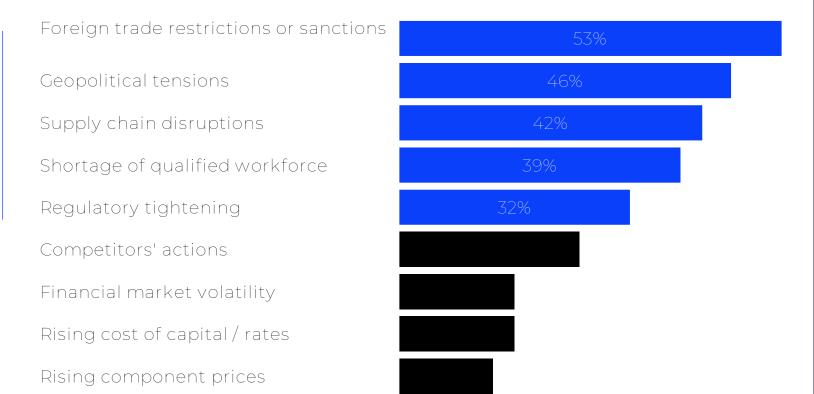
December 2022		June 2023
	Cost reduction 40%	Talent attraction and retention 37%
	Supply chain adjustments 39%	Expansion into new geographies 29%
	Increased product / service output 27%	New investment projects 29%
	Talent attraction and retention 26%	Supply chain adjustments 25%
	New investment projects 23%	Increased product / service output 24%
l	Product portfolio transformation	Tapping into new customer segments
	Growth through acquisition	Cost reduction
	Sustainable development	Adjustments to prices for our products
	Relocation of operating assets	Product portfolio transformation
	Divestment	Sustainable development

Source: CEO Barometer Survey by Yakov & Partners, December 2022 and June 2023

^{1.} The share of all those surveyed

Geopolitical tensions and supply chain disruptions remain the main challenges

Please identify the most severe risks for your company over the next 6 months¹



The results of the survey conducted in December 2022 also showed that foreign trade restrictions, geopolitical tensions, supply chain disruptions, and talent shortages were considered the main risks

More than 60% of those surveyed believe the development of artificial intelligence will have some impact on their companies within 1 year

What sort of impact (if any) will AI development have on your company within I year?



More than 70% of the leaders in the banking, tech and IT, retail, and FMCG sectors expect Al development to impact their businesses on the horizon of 1 year.

Over 60% of the CEOs in the chemicals and fertilizers sector, as well as more than 40% of those in metals and mining do not believe Al development will have any impact on their companies within one year

^{1.} The share of all those surveyed 2. The share of the respondents who did not opt for the "No impact" or "No answer / Don't know" options Source: CEO Barometer Survey by Yakov & Partners, December 2022 and June 2023

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