

HEALTH WEALTH CAREER

MOBILITY SOLUTIONS

BRAZIL 2017



MAKE TOMORROW, TODAY

 MERCER

HOW TO APPROACH MOBILITY

The face of expatriation is changing. An increasingly globalized environment has blurred international boundaries. Businesses now must deal with increasingly complex issues, such as managing a new generation of professionals who are more open to the world, finding ways of reducing costs in the face of strong competition, and developing a more flexible and optimized international mobility policy.

International assignees present special strategic, compensation, and benefits issues. The HR strategy for your globally mobile workforce needs to:

- Support your corporate global business objectives and broader HR strategies
- Attract and retain the right global pool of talent
- Provide effective remuneration for international assignees
- Optimize expatriates' job performance

It has become vital for companies to continuously re-evaluate and evolve their approach to global mobility. With results on hand from our worldwide surveys and expertise from across the globe, Mercer can help you with all of these needs. Mercer's robust mobility solutions can help you successfully manage globally mobile employees from your initial strategy to handling compensation, talent, benefits, and pension issues – and all the way through to repatriation.

Mercer has developed a variety of precise online and offline tools that can help you to perform calculations, generate reports, gather reference information, and manage all aspects of expatriate administration. Utilizing methods that are transparent, globally consistent and financially sound, Mercer will enable you to design and implement equitable expatriate compensation packages.

Furthermore, Mercer's expatriate consulting services and reliable, up-to-date benchmarking data can help you manage your human resources globally and assist in guiding your remuneration policies to ensure your organization's competitiveness in the marketplace.

Mercer offers a full spectrum of global mobility services and products across six continents. We have offices in 40+ countries and territories and more than 25,000 clients worldwide – making us the only expatriate management experts with a truly global footprint. We can help you make better, more strategic decisions on how to optimize your human capital. We are the only consulting firm offering clients cross-functional international mobility expertise in fields such as HR strategy, talent management, international mobility policies, expatriate compensation, mobility organization and operational management processes, and international retirement.

This booklet outlines our key global mobility solutions. Visit mobilityexchange.mercer.com for additional information.

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BUILDING EXPATRIATE PACKAGES

BALANCE SHEET

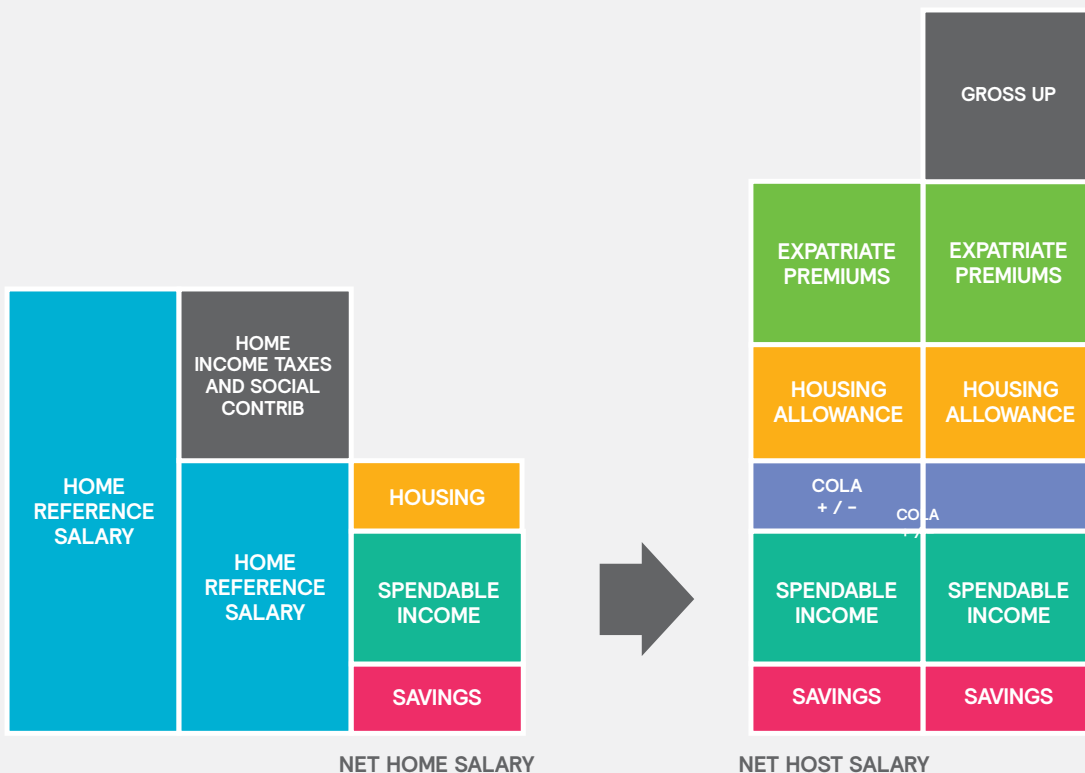
Our Balance Sheet approach retains the expatriate in the home-country salary structure and provides allowances to enable the expatriate to maintain a standard of living broadly similar to that enjoyed at home. Balance Sheet worksheets show all components of an individual expatriate compensation package – base salary, differentials, taxes, premiums, and allowances.

The goal of the Balance Sheet comparison is to establish a host-country salary that preserves an individual’s home-country standard of living. Due to the often significant differences in tax rates, social security contributions, housing costs, and general cost of living between countries, a simple exchange-rate conversion of gross salary would be meaningless.

Therefore, under the Balance Sheet system, the expatriate’s net pay in the home location is adjusted for any cost-of-living difference in the host location, and then grossed up for the host-country taxes and housing costs.



mobilityexchange.mercer.com/balancesheet



COST-OF-LIVING ALLOWANCES

To encourage mobility and to manage your international assignment costs, you need precise information to calculate fair, consistent expatriate compensation packages. Mercer's semi-annual cost-of-living surveys are conducted by professional researchers in over 400 locations. Carefully chosen vendors reflect only those outlets where your expatriates can buy goods and services of international quality.

THE BENEFIT OF TWO APPROACHES

Finding the best way to address the cost-of-living issue is a challenge when managing a modern global workforce that originates in, and is assigned to, a diverse array of locations. To help you find the optimal solution, Mercer offers two distinct ways to compare costs:

MULTINATIONAL APPROACH

The Mercer Multinational Cost-of-Living approach develops cost-of-living indices and differentials based on a blended international spending pattern, which assumes expatriates of many different nationalities spend similarly. With weighting of goods and services the same for all locations, this approach compares prices of similar brands and from similar retail outlets in both the home city and host city. Based on this approach, Mercer's Cost of Living Reports for each location include:

- City-to-city index comparison
- Home country/international spendable income
- Home country housing norms
- Expatriate accommodation costs
- International education costs
- Business travel expenses
- Actual item price lists
- List of stores surveyed

NATIONALITY-SPECIFIC APPROACH

The Mercer Nationality-specific Cost-of-Living approach develops cost-of-living indices and differentials based on the unique spending patterns in a base country – usually the home or headquarters country.

Using different weights for each home country ensures that expatriates can maintain their expenditure patterns in their host locations. This compares prices in the home country from a local-national perspective to prices in the host location from an expatriate perspective.

Mercer can help you decide which approach works best for both your company and your expatriates.

HOME SPENDABLE INCOME

Spendable Income Tables report the typical amount an employee spends on goods and services in his/her home country. Used in conjunction with our Cost-of-Living indices, the tables support you in determining appropriate cost-of-living allowances. These realitybased Spendable Income Tables are based on national statistics for major countries. The tables are broken down by income level and family size, from single employees to couples with four children.



[mobilityexchange.mercer.com/
costofliving](https://mobilityexchange.mercer.com/costofliving)

MERCER MOBILIZE HOUSING SOLUTION™

EXPATRIATE HOUSING WITH A PERFECT VIEW

Mercer Mobilize Housing Solution is the most advanced expatriate housing tool for better-informed, more-defensible housing allowance decisions.

Mercer Mobilize Housing Solution builds on decades of expertise in expatriate housing. Our extensive, accurate, and transparent data for over 400 cities is now delivered in a revolutionary new platform.

- **Interactive Mapping Technology:** Visualize where expatriate neighborhoods and schools are in relation to your company's office (which can be mapped). See street-level photos and neighborhood information.
- **Flexible Data:** Mobility managers can easily configure data by a variety of factors, like including/excluding specific neighborhoods so that the housing data reflects their needs. For example, choose only the neighborhoods close to the company office, where the company's expatriates tend to reside.
- **Sample Real Listings:** We post actual rentals listed at the time of our surveys, with details and photos, to provide a realistic sense of what can be expected for various budget ranges at particular locations.
- **Reverse Lookup:** See what sort of housing a certain rental amount will buy in a given neighborhood. This feature will help you both to set expectations and to frame the discussion around exception requests.
- **Varied Reporting Formats:** Our intuitive user interface allows output of various levels of detail and different formats, making it easy to share information in a format customized for each stakeholder, from senior management to the assignee.



mobilityexchange.mercer.com/housing

HOME COUNTRY HOUSING NORMS TABLES

Mercer's Home Country Housing Norms Tables enable companies to assess expatriate housing cost differentials between a home and a host location. We analyze data based on the latest national statistics on family expenditure patterns in each country covered. These tables provide the average combined expenditures for shelter and utilities by salary level and distinguish between single and family households.



imercer.com/profiles (este link no funciona)

MERCER REAL-TIME RENTCHECK®

Mercer Real-Time RentCheck is an innovative assessment that helps you manage housing budgets against the ups and downs of the market. Real-Time RentCheck is ideally suited to help companies reduce time spent validating data, checking property availability, and negotiating with assignees.



imercer.com/rent

INTERNATIONAL EDUCATION INFORMATION

Mercer provides current information for international schools, including American, English, French, German, Italian, Japanese, and Scandinavian.

QUALITY-OF-LIVING/HARDSHIP ALLOWANCES

Factors such as climate, disease and sanitation standards, ease of communications, and physical remoteness can often affect the success of a foreign assignment. Moreover, the local political and social environment, political violence, and crime may give rise to potentially uncomfortable, inconvenient, or even dangerous situations. To encourage mobility, reliable information is needed to help calculate fair, consistent financial incentives for hardship locations.

THE BENEFIT OF TWO APPROACHES

Mercer offers two ways to compensate mobile employees fairly for going to a host site with a lower quality of living than that in their home location. QOL recommends a point-to-point comparison assignment premium in order to recognize differences in home and host conditions. LER assesses living conditions against generally accepted standards, providing a single premium recommendation for all assignees to a location.

QUALITY-OF-LIVING (QOL) REPORTS

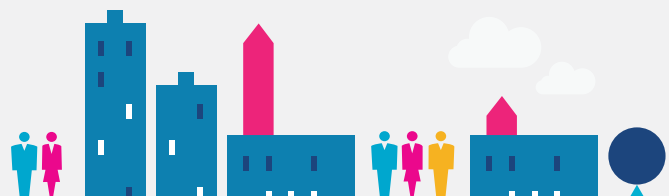
QOL Reports help determine competitive hardship allowances based on quality-of-living differences between the assignee's home and host locations for transfers among over 350 locations worldwide. The Quality-of-Living Index Calculator provides a final quality-of-living index and recommended allowance, as well as a detailed breakdown of all the elements taken into account. The index for a given host city varies with the assignee's home location.

LOCATION EVALUATION REPORTS (LER)

Prepared in partnership with global risk consultancy Control Risks, these analytical reports assess over 130 locations worldwide on 14 factors that make up daily life for expatriates and their families. LER provides a recommendation that is independent of a home location and maintains an equitable approach because the premium can be applied across an entire expatriate population.

On request, we can prepare custom reports and reports for non-standard locations. Mercer's global mobility specialists are available to advise you with further information on Location Evaluation Reports and Quality-of-Living Reports.

 mobilityexchange.com/qualityofliving



PERSONAL INCOME TAX

Mercer's new Personal Income Tax Solution makes your planning process easier by providing immediate access to all the information you need to successfully calculate the tax and social security portion of an international assignment package.

PERSONAL INCOME TAX REPORTS

The Personal Tax Reports are authoritative guides on tax requirements and social charges. Each report explains how the local tax system is built and the implications for both local executives and expatriates. They summarize the individual's liability for tax and social security.

PERSONAL INCOME TAX CALCULATOR

The Personal Income Tax Calculator is a powerful tool that will help you measure the real value of your employee's compensation, showing the exact difference made by taxes. The calculator allows you to determine gross-to-net and net-to-gross compensation to show how much of the salary will be left over after taxes.

The Personal Income Tax Solution is a cost-effective, multifunctional product that includes full reports on personal income tax and a powerful calculator. Over 140 locations, including regions and states, are available on a global entitlement or one-off basis.



[mobilityexchange.mercer.com/
personalincometax](https://mobilityexchange.mercer.com/personalincometax)



LOCALIZATION AND LOCAL PLUS

Many companies have embraced localized, or host-based, pay in order to meet their global staffing needs. Local Plus assignments and localization can provide significant cost savings, but they must be applied with care. Mercer's expertise and extensive compensation data on international assignments and local salaries lets us help you build effective policies and provide equitable compensation packages.

SET YOUR POLICY

Local Plus requires the balance of a systematic approach and flexibility. Mercer works with our clients to develop policies that find this balance, informed by our experience working with the largest multinationals on their programs and by decades of research into assignment policies and the latest trends in alternative assignment practices. Talk to us about your policy development and benchmarking needs.

2014 LOCAL PLUS SURVEYS

An in-depth look at prevalent policies and practices in popular Local Plus locations. Get reports for Brazil, Hong Kong, Singapore, and United States. Participate in this evergreen survey for a 67% discount.



mobilityexchange.mercer.com/localplus

COMPENSATION LOCALIZER MERCER'S LOCAL PLUS CALCULATOR

Our easy-to-use Local Plus calculator includes local salary data from our International Position Evaluation (IPE) database, and allows you to easily calculate a new offer or compare your proposed package to an employee's current compensation, suggesting what "plusses" might be necessary for Local Plus, and for how long.

Use the tool to quantify the economic impact whenever you are putting an employee on a host-based compensation package, for:

- Local Plus packages (where it is a feasible alternative to a traditional expat package)
- Localization (transitioning expatriates to host-based pay)
- One-way indefinite international transfers
- Locally or directly hired foreigners

With Compensation Localizer, you can do all this in as little as ten minutes. So you can let go of any complicated spreadsheets you might be using and stick to our transparent, easy-to-read report.

NET-TO-NET ANALYSIS

No time to do it yourself? Let Mercer's experts calculate the package for you!



mobilityexchange.mercer.com/compensationlocalizer

SHORT-TERM ASSIGNMENT ALLOWANCES

Short-term assignments provide companies with a valuable solution for the transfer of skills, know-how, and resources. Companies are competing in a global world with changes in technology, travel, and communication networks, and issues like dual career and family concerns make short-term assignments more attractive.

Short-term assignments present new challenges. Employees on short-term assignments are usually not accompanied by their family, therefore their living costs are different and they cannot be compensated as they would be for long-term assignments. On the other hand, short-term assignments last longer than business trips and require expenses of a wider nature, such as personal care products, laundry, and entertainment.

SHORT-TERM ASSIGNMENT ALLOWANCE TABLES

Mercer provides Short-term Assignment Allowance Tables by host city, allowing your company to grant a daily allowance fairly and consistently. The tables are available for over 300 cities covered by our worldwide cost-of-living reports, and are updated twice a year.

SHORT-TERM PER DIEMS

Mercer Short-term Assignment Per Diem Calculator provides an appropriate, consistent, and cost-effective means of compensating employees for day-to-day living costs in the short-term assignment location. It offers three standard levels of per diems, letting you choose the allowance based on your company's budget and spending assumptions.

The Short-term Assignment Per Diem Calculator recommendations are:

- Accurate, based on long-standing Mercer methodology
- Transparent, with recommendations broken down in detail
- Up-to-date, with data collected twice a year and more frequently in locations with volatile prices
- Easily customized, allowing for differentiation depending on type of assignment and other factors
- Specific to multinational companies, and based on spending patterns of actual business-oriented assignees like yours, including the provision of self-catering facilities

As a result, the web-based Short-term Assignment Per Diem Calculator is a cost-effective and appropriate solution for determining short-term per diems for over 370 locations and can be a more consistent alternative to relying on government or other publicly available data.



[mobilityexchange.mercer.com/
shorttermassignments](https://mobilityexchange.mercer.com/shorttermassignments)



INTERNATIONAL HR GUIDES

WORLDWIDE BENEFIT AND EMPLOYMENT GUIDELINES (WBEG)

Keeping track of constant changes in laws and regulations in every country is time-consuming and expensive, but you can be confident using this top-selling, trusted resource. WBEG contains the most comprehensive and reliable information on employment conditions, statutory employee benefits, and typical employer benefit practices.

With extensive analysis and narrative reports, WBEG offers unparalleled quality and is the ultimate reference for worldwide benefits and employment information. Offering in-depth benefit updates for 64 countries, WBEG is available in five easy-to-use volumes for the major economic regions of the world.

To give you immediate access to benefits information wherever you are, Mercer now offers the entire set of WBEG benefits reports in an online version. Your subscription gets you one year of access to WBEG-Online, where you can quickly find the precise benefit information you need.



mobilityexchange.mercer.com/wbeg

GLOBAL MOBILITY HANDBOOK

There is more to an effective international assignment than just moving an employee from one city to another. Mercer's Global Mobility Handbook gives you the practical information you need to consider before, during, and after deploying staff around the world.

Available in two volumes, the Handbook provides insights into various aspects involved in expatriation, such as the human resources/administration function, preassignment preparation and moving, pay packages, budget, cost control and taxes, communication pointers, family issues, and repatriation.



imercer.com/mobilityperspectives

GLOBAL CAR POLICIES

A company car is an important benefit for attracting and retaining top talent. Global Car Policies is a valuable reference guide that can help you define new strategies and manage your car policy in the most effective way, making it easy to identify cost-saving measures and compare your policies with others in the market.

Based on responses from thousands of employers around the world, the Mercer Global Car Policies guide provides information on allocation policies, cash alternatives to cars, and associated tax regulations.



imercer.com/carpolicies

EXPATRIATE MANAGEMENT TECHNOLOGY SOLUTIONS

ASSIGNMENTPRO™ INTERNATIONAL ASSIGNMENTS MANAGEMENT SOLUTION

Transform how you manage and administer your mobile workforce. Mercer's technology offering, AssignmentPro™, provides end-to-end automation to effectively manage all aspects of international assignments.

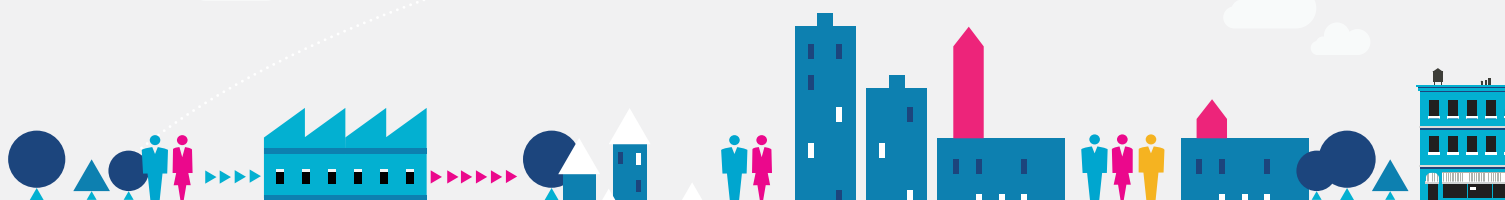
The system houses all information in a single, easy-to-use format, removing the need to outsource expatriate administration.

This cost-effective, time-saving tool will automate:

- Compensation and payroll reporting, including
- Balance Sheets;
- Cost projections
- Exception-from-policy tracking
- Customized user report creation
- Supplier management, contract management, workflow, and assignee communications
- Expense management and actual pay tracking
- Travel calendars
- Worldwide compensation data collection



[mobilityexchange.mercer.com/
assignmentpro](https://mobilityexchange.mercer.com/assignmentpro)



CULTURAL TRAINING TOOLS

CULTURALTRAININGPASSPORT™ COUNTRY-SPECIFIC, ONLINE COURSES FOR EXPATRIATE FAMILIES

CulturalTrainingPassport, the only tool of its kind, prepares international assignees and their families for their time abroad with complete, country-specific, affordable online cultural training programs.

CulturalTrainingPassport combines thorough, expatriate-specific country information with cultural tips and training to provide assignees with a comprehensive cultural and geopolitical profile of a country. The course contains:

- Interactive, country-specific training course
- Comprehensive country-specific cultural and geopolitical profiles
- Personal cultural profiler that customizes the course for each user
- Expat adjustment cycle tool
- Relocation scheduling tool
- A validated pre-assignment self-assessment

The all-access CulturalTrainingPassport Enterprise provides unlimited access to courses for over 100 countries and also includes access to the Culture Passport On the Go mobile app for all your employees.



[mobilityexchange.mercer.com/
culturaltrainingpassport](https://mobilityexchange.mercer.com/culturaltrainingpassport)

CULTURAL PASSPORT ON THE GO

Our new mobile app puts the cultural tools and information your employees need at their fingertips, wherever in the world they are.

A single annual subscription gives access to all your company's employees. Every one of your expats and business travelers will have the information they need at their fingertips, in whichever of 150+ covered countries they are.

Available for Android and iOS devices.



[mobilityexchange.mercer.com/
culturepassport](https://mobilityexchange.mercer.com/culturepassport)

MERCERPASSPORT®

MercerPassport is a valuable reference that will help expatriates learn what it's really like to live in another country.

Besides covering the fundamentals of living in a specific country (including logistics, as well as information on visas and work and residence permits), MercerPassport provides insights on costs and availability of essential goods and services in the host country.



[mobilityexchange.mercer.com/
mercerpassport](https://mobilityexchange.mercer.com/mercerpassport)

EXPATRIATE CONSULTING SERVICES

International assignments are part of a process to create change, improve understanding, and develop the global presence that is needed in the current competitive business climate. Expatriation is synonymous with new business opportunities, expansion, and growth. In order to help you manage expatriate assignments successfully in a highly competitive and cost-conscious business environment, Mercer consultants are available to support you with the services described below.

EXPATRIATE MANAGEMENT POLICIES

Whether your company is creating its first international assignments policy or reviewing its strategy to adapt to new business dynamics, Mercer can offer a complete consultancy service to assist you in building and managing your expatriation policies.

First, Mercer clarifies the purpose of the expatriation program within your company and determines whether it is presently fulfilling that purpose. Then, Mercer identifies how you can achieve strategic objectives, specifically assisting with any of the following areas:

- Analyzing and defining different types of international assignments
- Benchmarking your practices
- Compensation approaches
- Expatriation allowances
- Retirement
- Health care
- Localization approaches
- Spouse support programs
- Cost analysis

EXPATRIATE COMPENSATION SERVICES

Mercer provides a full range of information products and services to help you manage your human resources globally. The compensation services aid you in designing competitive, equitable, and cost-effective expatriate packages.

Our consultants can help you determine whether a single or multiple policy tiers suit your expatriate program best, by assessing the variety and needs of your mobility employees.



info.mercer.com



BENCHMARKING AND BEST PRACTICES

WORLDWIDE SURVEY OF INTERNATIONAL ASSIGNMENT POLICIES AND PRACTICES

Finding the right talent for your expatriate assignments is not easy. The Worldwide Survey of International Assignment Policies and Practices (WIAPP) will help you uncover current trends in international assignment program management and evaluate your policy competitiveness and market positioning for specific assignment types, so your expatriate program can be more effective. The valuable data in this, Mercer's most encompassing global mobility survey, will help you develop, modify, and customize your expatriate packages. You can still participate:

- The largest survey participant base in the industry
- Participants receive a FREE regional question-by question analysis report
- The full Global Report is available to participants only



mobilityexchange.mercer.com/wiapp

ALTERNATIVE INTERNATIONAL ASSIGNMENTS POLICIES AND PRACTICES SURVEY

Mercer's new survey deep-dives into alternative international assignment policies and practices. Over 320 companies have already participated in this evergreen survey. Participants receive a complimentary regional report and a chance to purchase the global report.



mobilityexchange.mercer.com/aia

DOMESTIC TRANSFER POLICY AND PRACTICE SURVEY

Mercer's new survey deep-dives into domestic transfers within Brazil, Argentina, Colombia and Mexico. This report is designed to help HR professionals better serve their employees on such assignments by providing valuable and necessary information.



imercer.com/domestictransfer

Talk to your local consultant for more information.

LATAM CLIENT SERVICES

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Our other surveys include mobility-specific surveys on benefits, industry and assignment-type policies and practices, locationspecific issues, and flash surveys on topical situations affecting expatriate management.

See more information on the location-specific Local Plus Surveys on page 9.

GLOBAL MOBILITY EVENTS AND TRAINING

LOCAL MOBILITY EVENTS

Mercer holds Global Mobility roundtables and meetings in various locations throughout the year. These are designed to provide HR professionals in international assignment management an opportunity to network with their peers and learn about the latest trends and practices.

MERCER GLOBAL MOBILITY CLUB - BRAZIL

In 2013, taking into consideration the growing interest and demand for practices, trends and challenges of Global Mobility, Mercer decided to launch in Brazil the Mercer Global Mobility Club, aiming to bring together professionals responsible for International Assignments Management in multinational, Brazilian and foreign companies.

The purpose of this initiative is to promote the integration and discussion of Global Mobility issues in an informal, cooperative and confidential environment, and rely on the expertise of Mercer, its platform, market knowledge, practices and trends in this field.

Visit mobilityexchange.mercer.com/events or contact your local office for the latest events.

GLOBAL MOBILITY WEBCASTS

Join Mercer's Global Mobility specialists for complimentary webcasts designed to help you optimize your company's global workforce while maintaining its competitive advantage. The webcasts will help you stay informed on topics and trends that directly affect expatriates and global mobility program management.

Recent and upcoming webcast topics include:

- Short-term Assignments and Commuters
- Measuring the Value of International Assignments

- Building Local Plus Packages
- Working Effectively with... (A cultural training series for a range of countries)
- Mobility Policies for Small- and Mid-sized Programs: Practical Tips
- International Assignment Policies and Practices

To register and view our webcast archive, visit mobilityexchange.mercer.com/webinars.

MERCER LEARNING PROGRAM

Training our clients is a Mercer priority. With Mercer Learning trainings, you will become aware of the concepts that really make the difference when Human Capital management is the issue, giving you access to several opportunities within your profession.

The program will count on theoretical presentation, as well as group and individual exercises, helping with the internalization of applicable management concepts and tools. It is specifically designed for a reduced group of participants, aiming at generating a personalized contact between the instructor and each participant, which will contribute to achievement of the proposed training goals.

We offer training sessions in two formats: public workshops and in-house programs.

For further information regarding the Employee Mobility: International Assignments Management module agenda, please contact your local consultant.



imercer.com/mercerlearning

For further information about Global Mobility
products and consulting services, please contact:

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