



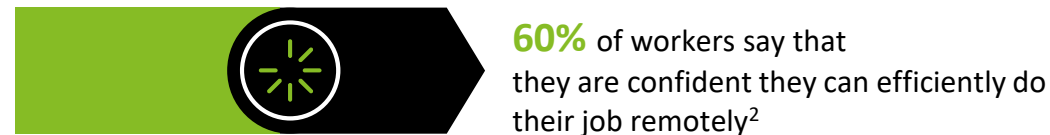
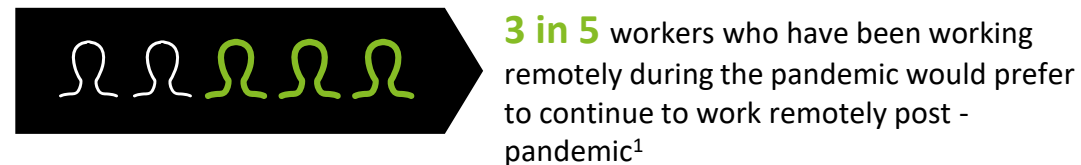
# International Remote Working Considerations

November 2020

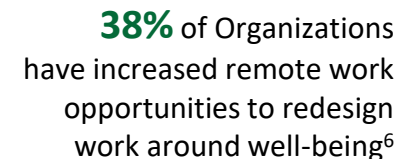
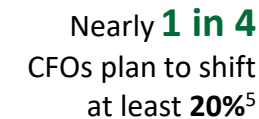
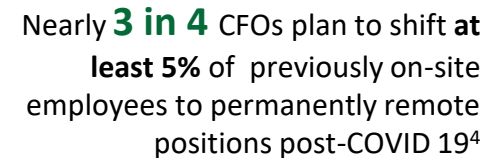
# The landscape of remote work is changing rapidly

The pandemic has accelerated the future of work. For many businesses, there will be reduced importance as to **where** work is done and increased focus on **how** work is done, leveraging robotics, automation, digital capabilities, connected platforms, tools and techniques.

## Workforce sentiment



## Employer sentiment



### Health & Safety

COVID-19 is continuing to disrupt all economies and businesses -



### Human Behaviour

Unprecedented emotional & financial stress but for some, remote brings increased flexibility



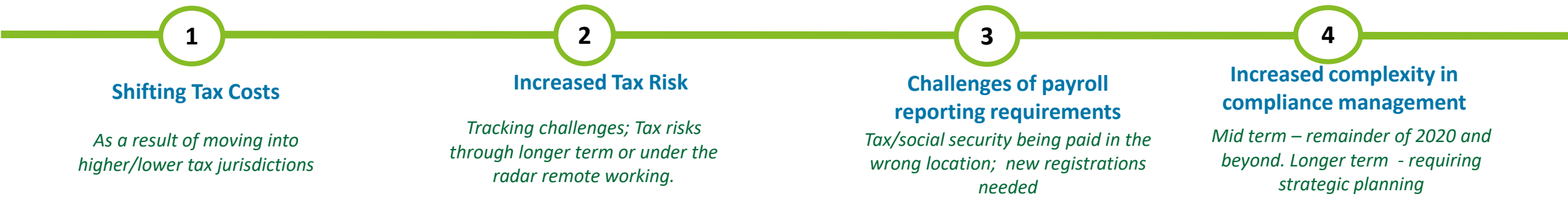
### Regulatory Response

COVID-19 tax compliance relief for remote workers has been a patchwork and temporary in nature.

<sup>1</sup>Megan Brenan, "U.S. Workers Discovering Affinity for Remote Work" Gallup, April 3, 2020; <sup>2,3</sup>Roy Maurer, "Majority of Employees Embrace Remote Work," SHRM, April 22, 2020; <sup>4,5</sup>Justin Lavelle, "Gartner CFO Survey Reveals 74% Intend to Shift Some Employees to Remote Work Permanently" Gartner, April 3 2020; <sup>6</sup>Deloitte HC Trends 2020 "<https://www2.deloitte.com/us/en/insights/focus/human-capital-trends.html>" Gartner, May 18, 2020

# The tax implications of remote work

Many organisations are considering making remote work permanent for all, or parts of their workforce. Tax teams (along with other stakeholders) will have a critical role to play in shaping remote work policy, but also significant remediation work and ongoing compliance.

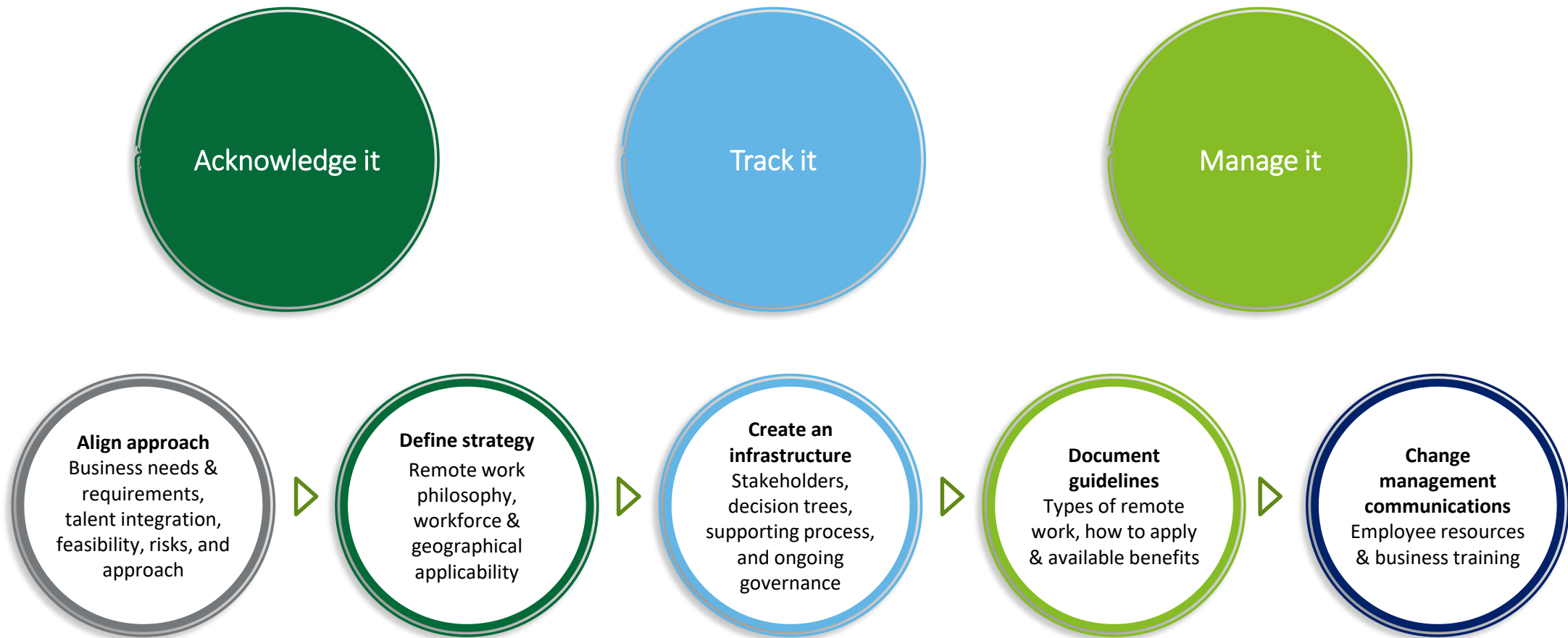


## HOW COULD ONE EMPLOYEE DISRUPT THE BUSINESS?



# Strategic Implementation of a Long Term Approach

What is the road map to dealing with a long term remote working policy for Organisations who see the benefits of embracing the “new normal” for current employees and new hires?



# Remote work is a cross-functional effort

A variety of stakeholders across functions need to align and identify priority actions and shared goals to ensure successful remote working can be achieved - maximising employee experience and business unit efficiencies, whilst minimising compliance (tax and legal) risks.

## CORPORATE TAX & INDIRECT TAX

- Permanent establishment risk – potential multiple additional compliance requirements
- PEs would also materially impact Intercompany agreements/transfer pricing
- This could significantly impact on ETR & cash tax
- Indirect and withholding taxes

## EMPLOYMENT TAX

- Employment tax and social security assessments
- Income tax withholding and filing requirements
- Entity and payroll registration requirements
- Income and payroll tax reporting and cost projections

## DATA / TECHNOLOGY

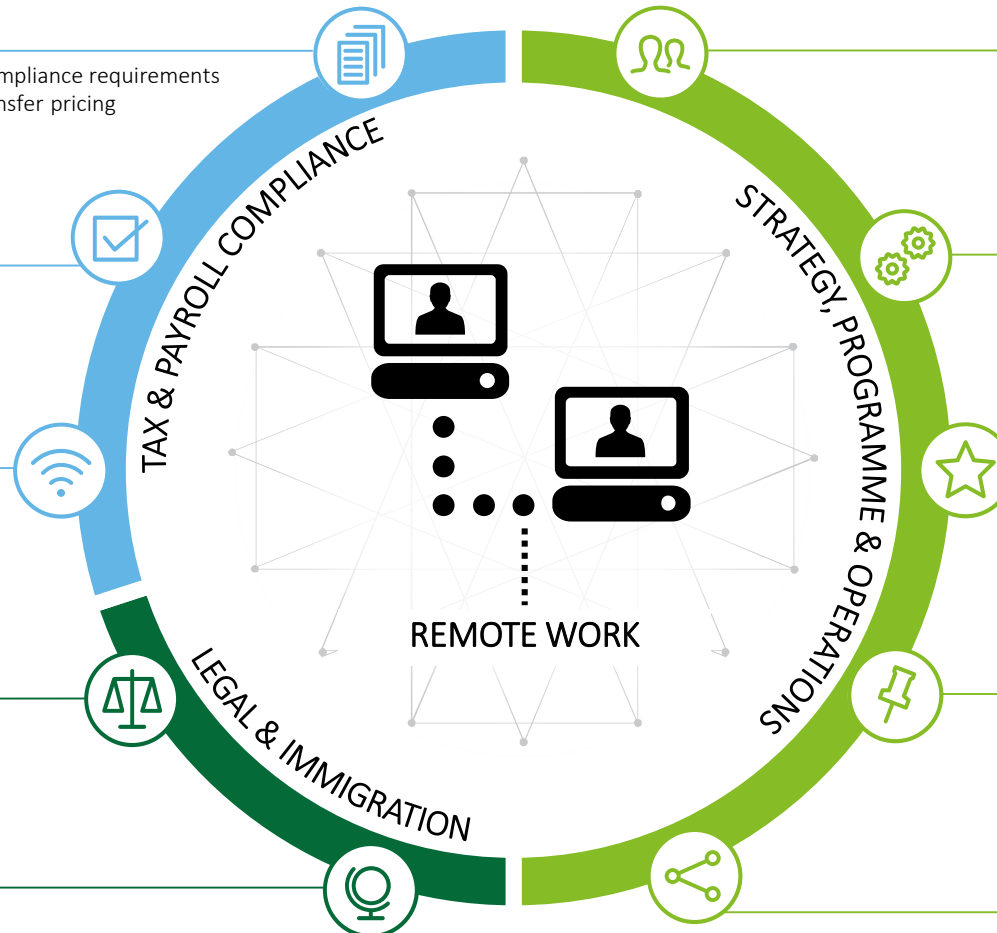
- Continuous data tracking and reporting
- Compliance analysis
- Flagging and quantification of risks
- Business travel tracking
- Approval process for remote working and tracking

## REGULATORY / EMPLOYMENT LAW

- Understand applicable leave and discrimination laws
- Communicate relevant policies to remote workers
- Remote workforce expenses

## IMMIGRATION

- Assessing right to work remotely from a particular location
- Visas and work authorization impacts



## TALENT STRATEGY

- Enterprise philosophy and strategy
- Workforce segmentation and job profile analysis
- High-performance team in a virtual environment

## PROGRAM & OPERATIONS

- Remote policies and guidelines
- Roles and responsibilities, processes and tools
- Mapping key remote working scenarios
- Employee and stakeholder communications

## REWARD

- Compensation and benefits design and implementation
- Benchmarking
- Pension considerations
- Cross-boarder equity considerations

## GLOBAL EMPLOYMENT MODEL

- Centralising processes
- Intra-company agreements and transfer pricing considerations.
- Location and registrations
- Contract and remuneration considerations. End to end process mapping

## IP & DATA SECURITY

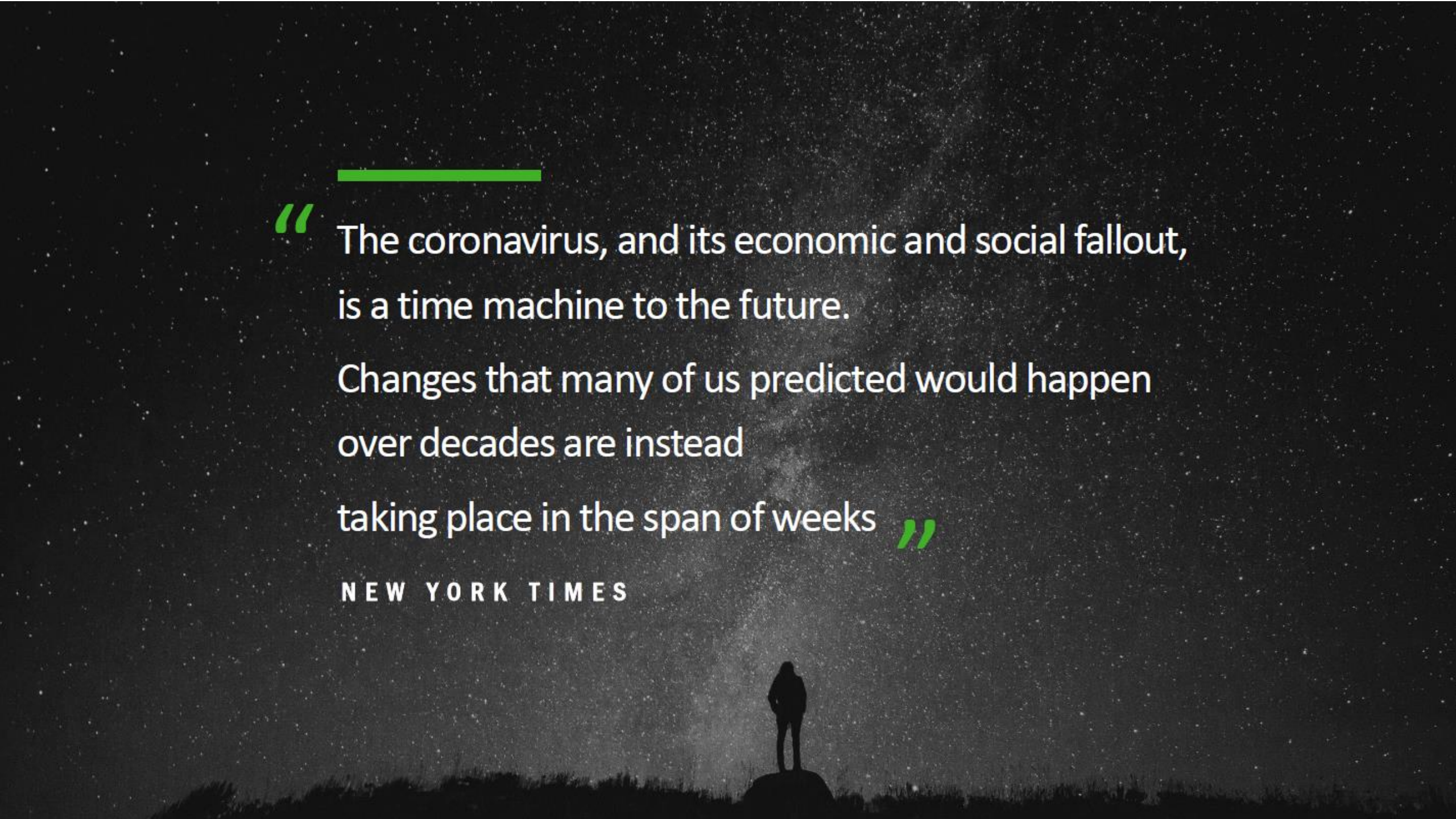
- Network security risks
- Intellectual property safety





## Remote Working: Wellbeing and Engagement

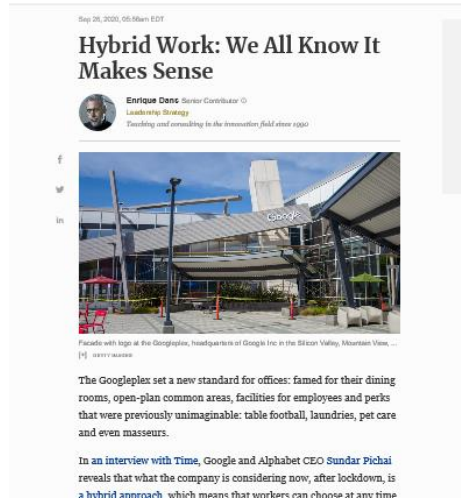
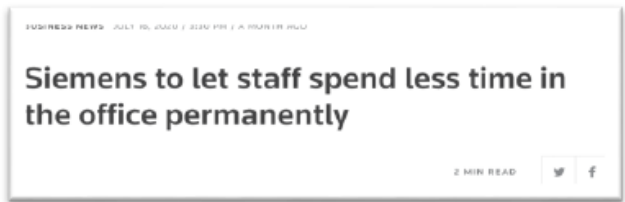
November, 2020



“ The coronavirus, and its economic and social fallout,  
is a time machine to the future.  
Changes that many of us predicted would happen  
over decades are instead  
taking place in the span of weeks ”

NEW YORK TIMES







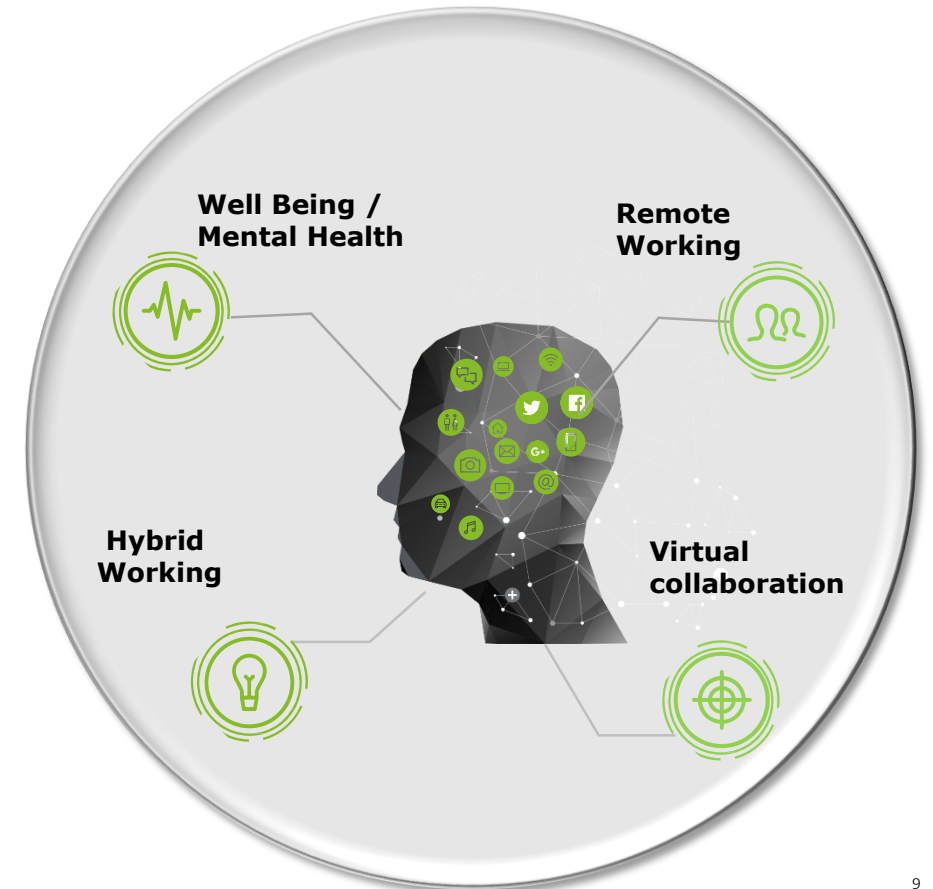


# Employee Experience – The Remote Working Lens

The current environment has accelerated to new and more flexible ways of working where organisations need to swiftly adapt their strategies to reflect the 'new normal' which has implications for every touchpoint of an employee experience

## Employee Experience Simply Irresistible Organisation™ model

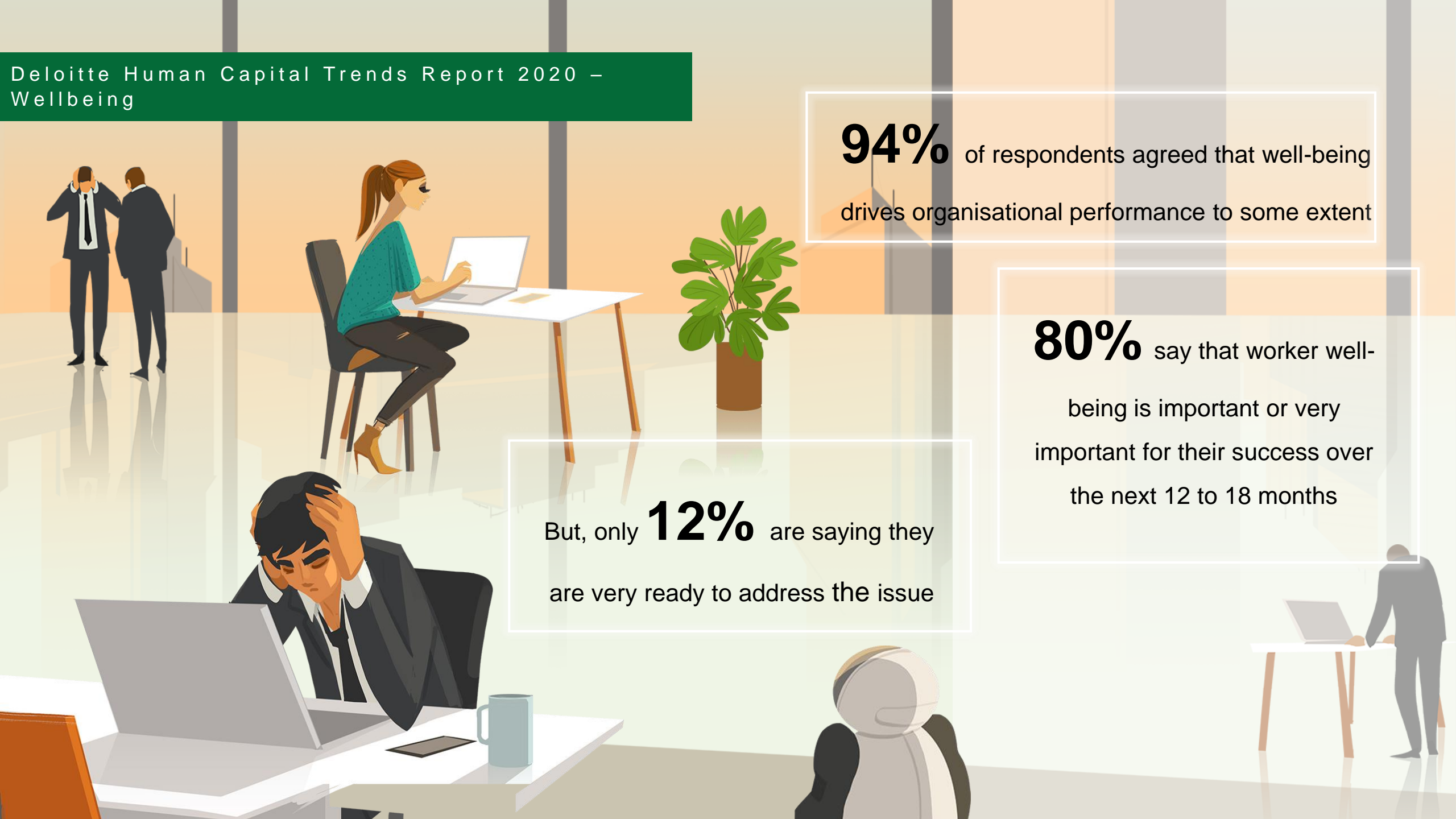
 Meaningful work	 Supportive management	 Positive work environment	 Growth opportunity	 Trust in Leadership
Autonomy	Clear & transparent goals	Flexible work environment	Training & support on the job	Mission & purpose
Select-to-fit	Coaching	Humanistic workplace	Facilitated talent mobility	Continuous investment in people
Small, empowered teams	Investment in development of Managers	Culture of recognition	Self-directed, dynamic learning	Transparency & honesty
Unstructured time	Agile performance management	Fair, inclusive, diverse work environment	High-impact learning culture	Inspiration
Cross-organisation collaboration & communication				



**94%** of respondents agreed that well-being  
drives organisational performance to some extent

**80%** say that worker well-  
being is important or very  
important for their success over  
the next 12 to 18 months

But, only **12%** are saying they  
are very ready to address the issue



# Wellbeing – What Employers and Employees need to think about?

## Employers

## Employees





# Wellbeing – What Employers and Employees need to think about?

## Employers

## Employees



# Speaker information



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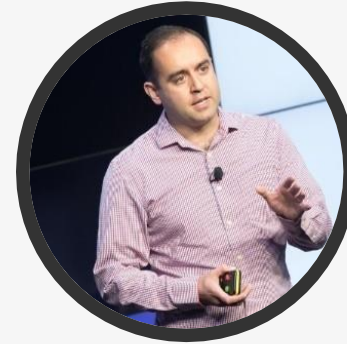


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