

Long Term International Assignment Policy



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1 Introduction

[Global Company Name] recognises that to achieve continued growth and success, we need to promote the transfer of ideas, best practices and leadership, and share client and customer contacts on a global level. Despite technologies to connect our employees on a daily basis, there are circumstances where it is desirable to physically move an employee to another country to meet the challenges of a new role and deliver successful projects. [Global Company Name] has developed policies and processes to enable [Global Company Name] to move its employees, across borders and continents. The long term assignment policy is part of the portfolio of policies to govern the temporary relocation of employees abroad.

International assignments are integral to the success of a global organisation. The ability to move our employees between countries quickly, compliantly and cost effectively with minimal upheaval to the employee contributes to the continued growth of our business. This policy has been developed to enable our best and brightest employees to make this work place change swift and effective and settle them in their new role and environment as efficiently as possible.

1.1 What is an International Long Term Assignment?

An international assignment is a temporary work position located in another country and requires our employee to temporarily relocate to fulfil this role. A local assessment will have already taken place to source an employee locally but the specific skill set, experience and competencies of the employee mean that they are the right choice for the temporary role. The international assignment is deemed to be long-term if it is for a period of greater than one year. Most international long-term assignments in [Global Company Name] are 2-3 years in duration. This has proved to be the optimal time required for the employee to achieve the business goals set for the assignment. For information on assignments of a shorter period please speak with your home country HR Manager.

Whilst an international assignment may be extended in duration, no assignment should exceed 5 years in total. If the need for an employee exceeds 5 years, then the employee should be offered a local contract in the host country.

1.2 What is the Purpose of the Policy?

The purpose of the policy is to give clear guidance on the employment agreement between [Global Company Name] and employee for the preparation, relocation, duration and repatriation of their forthcoming international assignment.

This policy applies to all employees within [Global Company Name] who are selected to undertake a temporary international assignment. This is for a specific period of time

where they are required to relocate on a temporary basis to another country to fulfil their role.

1.3 What does the Policy Cover?

This policy covers compensation and benefits through the life-cycle of an international assignment. This starts at pre-assignment selection, followed by preparation for the assignment, relocation assistance, ongoing assignment support through to repatriation and resettlement. Additionally it details how this policy dovetails with the employee's current employment terms and conditions and global company policies. This policy should be read in conjunction with the employee's current home country employment terms and conditions.

1.4 What are the Objectives?

The key objectives of [Global Company Name's] long-term international assignment policy are:

- Global approach – apply the same policy across all assignments regardless of home or host locations
- Simple to administer, easy to understand
- Fair and Consistent – all employees at the same grade are treated the same
- Cost effectiveness – supports the additional costs of the employee using tax efficient applications; not just a lump sum payment approach
- Minimise financial hardships or gains to the employee
- Reward achievement – inbuilt reward structure and continuous assessment to recognise and reward success during and at the completion of the assignment
- Measure value – continuous assessment of what the employee is on the assignment to achieve and monitoring this

2 Eligibility

2.1 Who is Eligible?

All full-time permanent employees of [Global Company name] who are requested by their employer to undertake a project in another country are covered by the long term international assignment policy. In some cases, the individual's level of experience and years of service with a company may impact the ability to apply for the employee's work permit. The host country immigration laws may restrict the application of a work permit for someone who has limited experience in their field of expertise and has not been employed with [Global Company Name] for very long. The host country immigration legislation ultimately determines if the employee is eligible for a long term international assignment in the host country.

2.2 Who is not Eligible?

This policy does not apply when an employee makes a personal request to relocate or be assigned to another country.

This policy does not apply when an external candidate has been hired in one country but is currently residing in a different country and is therefore required to relocate to start their employment with [Global Company Name].

This policy does not apply when an employee permanently transfers between two employment sites either within the same country or two different countries.

This policy does not apply when an employee temporarily works in another work site or location within the same country.

3 Policy Selection and Interpretation

All policy interpretations will be provided by the home country HR Manager. All decisions around the applicability of policy will be provided by the home country HR Manager.

[Global Company Name] may change or revise this policy and practices from time to time. The contents of the policy shall not be interpreted as creating an employment agreement or contract with an employee.

This policy will supersede any verbal or written statements made on international assignments within [Global Company Name].

3.1 Cash in Lieu

International assignments are a high-cost employment arrangement for any company. They are a necessary and worthwhile investment in our employees and the future of the business. The policy details and allowances have been developed to address the specific additional costs associated with an assignment to ensure that the employee is not financially impacted by accepting the assignment.

In keeping with the spirit of the policy, the employee is expected to work with [Global Company Name] to minimize assignment costs where possible. The employee should make the same cost-efficient decisions as they would if they were spending their own money. This means that if the spend on an item is less than originally budgeted, there will be no cash in lieu of the saving made to the employee.

If an allowance is not required by the employee due to personal circumstances, the benefit no longer applies. The employee does not have the option to receive the value of the benefit in cash. For example, if a shipment of goods is not required the employee does not have the option to receive a cash sum equivalent to the cost of transporting goods to the host country.

3.2 Authority to Approve Exceptions

In exceptional circumstances there may be a request relating to an assignment that is different to the policy. An exception to any provision of this policy may not be made without advance approval. All applications for exceptions must be made in the form of a business case to the home country HR Manager who will seek approval from the Global HR Leader. This decision will be final.

4 Definitions

The following terms are used throughout the body of this document, and the meaning of each word is described below.

Home country; home location – The country where the employee is employed out of, and in most circumstances, is resident in.

Host country; host location – The country that the employee is assigned to work on a temporary basis for the duration of the assignment. In some circumstances the employee will work from multiple locations; however the host location is defined as the place where primary work is located and the majority of the time will be spent.

International assignment – A specific temporary period of time when the employee is assigned to work in another country.

Employee – the employee who has been selected to take an international assignment.

[Global Company Name] – this is where the Company name should be inserted into the document.

Employer – the home country employer of the employee. This is the Company entity that the employee has their existing employment contract with.

Home country HR – the contact person in the home country who is facilitating the international assignment.

Host country HR – the contact person in the host country who will be a point of contact for the employee for the duration of the assignment.

Geography – the same region of the globe. The geographies in [Global Company Name] are: EMEA (Europe, Middle East, Africa) Asia (India, China, South East Asia), and Americas (North and South America and Canada).

Dependants – For the purposes of this policy, a dependant is a relative who lives with the employee in their principal residence, prior to the assignment. This includes spouse, children, step-children (if they are the legal and financial responsibility of the employee), or long-term partners (of same or opposite sex). The age limit for a dependant child is 21 on the basis that they are fully able-bodied, able-minded individuals. If the dependant is physically or mentally disabled then the age limit does not apply. Children born to or adopted by the employee during the international assignment are included in the definition of dependants.

Please note: whilst the policy may recognise the above as eligible accompanying dependants, the host country may limit or prohibit the ability to acquire the residency visas for anyone other than a legally recognised spouse. The home country HR Manager will assess the immigration restrictions if any, and inform the employee prior to making

the decision to accept an assignment on whether there are any immigration limitations to potentially accompanying family members.

Assignment Year - a 12 month period calculated from the original start date of the international assignment.