





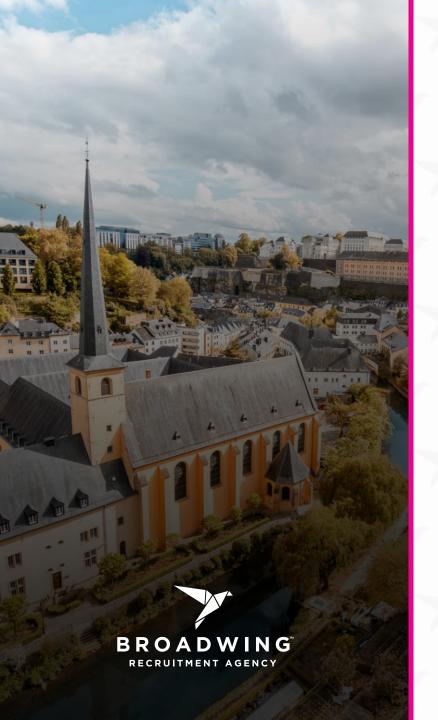
Introducing Luxembourg

- Introduction of Luxembourg
- Financial Services: Roles for Accounting & CoSec positions
- Hierarchy/Salary brackets
 - Internal Accounting VS External Accounting
- Segmentation



EU founding member Luxembourg

- Luxembourg officially called Grand Duchy of Luxembourg is part of European Union (one of founding members)
 landlocked country in Western Europe and is bordered with 3 countries being Germany, France and Belgium.
- Population of 647,000 and Area of 2,586 km².
- Capital City is Luxembourg (10 countries in the world have the capital city with same name of country).
- National Day is 23 June.



Representative democracy Luxembourg

- Luxembourg is a representative democracy headed by a constitutional monarch, Grand Duke Henri and Prime Minister Xavier Bettel, making it the world's only remaining sovereign grand duchy.
 - Official languages French, Luxembourgish, and German. Other languages being Portuguese and English.
- Just recently, Luxembourg is listed as top richest country in world of its GDP per Capita.



EU's highest minimum wage Luxembourg

- Has highest minimum wage in EU for an approx..
 amount of EUR 2,000 per month and cost of living is one of the highest in the world.
- Nearly half of Luxembourg's workforce commutes to work in Luxembourg from another country.
- Cross-border workers are in almost every sector of the Luxembourgish economy.



A major financial centre Luxembourg

- Most non-Luxembourg nationals traveling across the border are French (78,500 workers), Belgians (39,400 workers), and Germans (39,100 workers).
- Public transportation in Luxembourg also makes it easy to hop across the border.
- Public Transportation for Buses, Trains, Trams, shuttles, etc. is free as from 2020.
- Luxembourg is one of the world's major financial & business centres, and a tax haven.



Home to over 150 investment banks Luxembourg

It's home to the European Investment Bank and more than 150 others.

At the end of 2014, investigative journalists leaked some 28,000 tax agreements, tax returns and other documents – exposing how around 350 of the world's largest companies, including Pepsi, IKEA, Procter & Gamble, JP Morgan, and FedEx, were able to save millions by using schemes made possible by Luxembourg's favourable corporate tax laws.



Low-Tax

Luxembourg

'LuxLeaks' showed how companies set up complicated accounting and legal structures to legally move their profits from the high-tax countries where they have their HQs to low-tax Luxembourg – and in some cases, pay less than 1% in tax.

Reforms are on their way.

Along with Luxembourg, 10 European countries appear among the 20 wealthiest. Here is the list:

- 1. Luxembourg, GDP \$140,694
- 2. Singapore \$131,580
- 3. Ireland \$124,596
- 4. Qatar \$112,789
- 5. Macao, SAR \$85,611

- 6. Switzerland \$84,658
- 7. United Arab Emirates \$78,255
- 8. Norway \$77,808
- 9. United States \$76,027
- 10. Brunei Darussalam \$74,953

Along with Luxembourg, 10 European countries appear among the 20 wealthiest. Here is the list:

CONTINUED

11. Hong Kong, SAR - \$70,448

12. San Marino - \$70,139

13. Denmark - \$69,273

14. Taiwan - \$68,730

15. Netherlands - \$68,572

16. Austria - \$64,571

17. Iceland - \$64,621

18. Andorra - \$63,600

19. Germany - \$63,271

20. Sweden - \$62,926

Financial Services

Financial services is key part in

Luxembourg where it attracts talent from

EU countries and Non-EU countries.

Industries being part of financial services
are banks, Audit firms, Corporate service
providers, Asset Managers, etc.

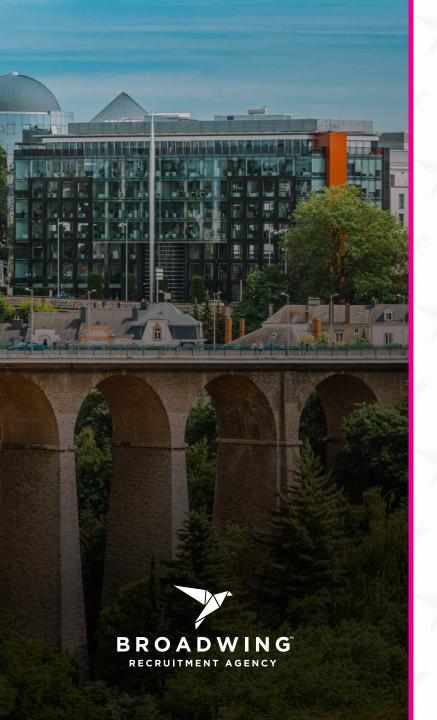
Most of them are regulated by government body called CSSF (Commission de Surveillance du Secteur Financier).

HIERARCHY IN SERVICE PROVIDER & SALARY BRACKETS (ASSUMPTIONS)

TITLE HIERARCHY	SALARY RANGES
Managing Director	200,000 & Above
EVP/Executive Director	125,500 - 170,000
SVP/Director	105,000 - 125,000
VP/Senior Manager	85,000 - 110,000
AVP/Manager	65,000 - 90,000
Senior Associate/Officer	55,000 - 70,000
Associate/Officer	45,000 - 55,000
Junior Associate/Officer	35,000 - 45,000

Here is link to check your net salary:

https://www.calculatrice.lu/calculator



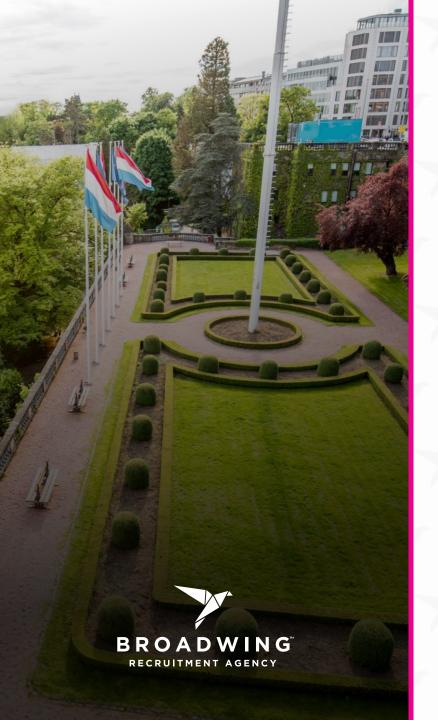
Internal Accounting vs External Client Service Accounting

- a) Internal Accounting is in-house/Finance department of a Company (usually large Group) which would have setup job roles for certain subsection departments for Accounts Receivable, Accounts Payable, Cash Management, Finance Reporting, etc.
- b) External Accounting is a third party providing usually full scope of services from A to Z to Clients.



Segmentation of Client Types

- Private Equity Equity/investment in a business that is raised from private sources (big Power firms such as Blackstone, Blackrock, Goldman, etc.), as opposed to shares that can be traded publicly.
 - Corporate/Multinationals Clients that are well known globally such as Coca-Cola, Pepsi, Fox, Disney, etc. They would set up structures in Luxembourg for business taxoptimisation.



Segmentation of Client Types

- Private Wealth Client that are Ultra High Net
 Individuals investing their wealth through family offices
 and banks and setting up different corporations.
 - Real Estate Clients directly or indirectly holding Real Estate such as Retail, Student Housing, Logistic Centers, etc. These clients can by Asset Managers, Fund Managers, etc.



Segmentation of Client Types

- Capital Markets/Securitisation Clients setting up lending platforms such as Issuance of Bonds through Luxembourg
 Stock exchange and investing through compartments/investment vehicles.
 - Funds Entity or arrangement that is being regulated or unregulated, or that is operated as or as part of, a private equity fund, hedge fund or other pooled investment vehicle or similar arrangement.

