

GLOBAL ACTUARIAL SERVICES OUR VALUE PROPOSITION

WHAT IT MEANS

Mercer is appointed to assist a multinational company's HQ in the coordination and consolidation of its pension accounting figures, and the preparation of the pensions note under IAS 19 / US-GAAP. If desired, Mercer can also act as the local actuary in each country where the company has operations, providing all local actuarial and pension advisory services in addition.

HOW DOES THIS ADD VALUE

- Pension accounting is complicated and many companies are overwhelmed with the preparation of the pensions note each year, in particular after the introduction of IAS 19R which contains extensive additional reporting requirements. Mercer coordinates the pension accounting process, ensuring all deadlines are met and the notes are prepared in line with the relevant accounting standards.
- One central contact person is assigned to our client for all global pensions and benefits related issues.
- Cost savings through economies of scale: When Mercer is engaged as local actuary in many countries at once as part of a global contract, this reduces our cost of sale and ongoing relationship management, allowing us to provide volume related discounts.

What is a Global Actuary?

Four basic models



WHY MERCER MARSH BENEFITS?

Global actuarial services are a core service offering at Mercer; we have unparalleled experience, with over 275 global actuarial clients.

We have the most extensive network of local actuaries of any competitor: We are able to provide local actuarial valuation services seamlessly, using consistent reporting and methodologies for all plans, irrespective of where around the globe a company has its operations.

We are able to tailor our deliverables to meet the needs of our clients; from providing ad-hoc pensions advice at HQ level to acting as global pensions, benefits and risk consultant ... and everything in between:

TARGET MARKET

Virtually all companies that have valuation reports prepared under IAS 19 or US-GAAP will also need to prepare a pensions note for their financial statements, and are thus potential clients.

CASE STUDY

- An MDAX company, for which Mercer Germany prepared a small IAS 19 valuation each year, asked for assistance in preparing its pension note.
- In a first step, 18 pension plans were identified; Mercer was engaged in respect of providing both global consolidation and coordination services, as well as local actuarial services for each of these plans.
- After the first year-end, Mercer assisted with an audit of the global pension arrangements.
- As a result of the audit, 24 additional pension plans were identified, bringing the total number of pension plans to consolidate to 42. Mercer was asked to provide local valuation services for each of the plans identified.
- The company now has much greater transparency of the pension benefits in place and the corresponding risks than it did before – No surprises – as well as a smooth year end reporting process and globally consistent reporting... all at an attractive price.