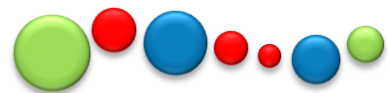




aicep Portugal Global
Conferência CC Portugal 2014

Pedro Patrício

Lisboa, 29 de Maio 2014



Government Support

ASSUMPTIONS:

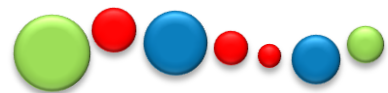
- Job Creation: 100
- Education Level: graduates
- Gross monthly wage: 1.200 €
(permanent labor contract)
- Duration: 3 years

**Without
Incentives**

Simulation *without* Incentives:

| | |
|---|---|
| Annual Payroll per employee (wage + meal allowance + work insurance) | $= (1.200 \text{ €} + 126\text{€} + 8,5\text{€}) \times 14 \text{ months} \times (1 + 23,75\%)$ $= 23.120,21 \text{ €}$ |
| Total Annual Costs | $= 100 \times 23.120,21 \text{ €} = 2.312.021 \text{ €}$ |
| 3-years Total Costs | $= 3 \text{ years} \times 2.312.021 \text{ €} = 6.936.064 \text{ €}$ |





Government Support

ASSUMPTIONS:

- Job Creation: 100
- Education Level: graduates
- Gross monthly wage: 1.200 €
(permanent labor contract)
- Duration: 3 years

**With
Incentives**

Simulation *with Incentives*:

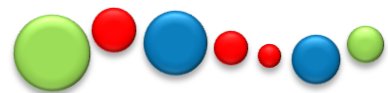
| | |
|----------------------------|--|
| Professional Internships | 663 Euros x 18 months = 11.945 Euros |
| “ <i>Estímulo 2013</i> ” | 545 Euros x 18 months = 9.809 Euros |
| Social Security Refund | 23,75% x 1.200 Euros x 18 months = 5.130 Euros |
| Total support per employee | 26.885 Euros |
| Total support | 100 x 26.885 Euros = 2.688.552 Euros |

TOTAL COST SAVING: 38,5%

(2.688.552€ / 6.936.064€)



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Government Support

Simulation of job creation incentives

ASSUMPTIONS:

- Job Creation: 100
- Education Level: graduates
- Gross monthly wage: 1.200 €
- Location: Portugal

ESTÍMULO 2013

18 Months

- ✓ 18 months
- ✓ Total Support = 545 Euros / month

INTERNSHIPS

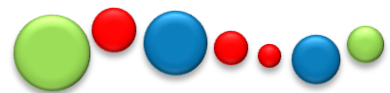
18 Months

- ✓ 18 Months
- ✓ Total Support =
 $553 + 93 + 16 = 663$ Euros / month

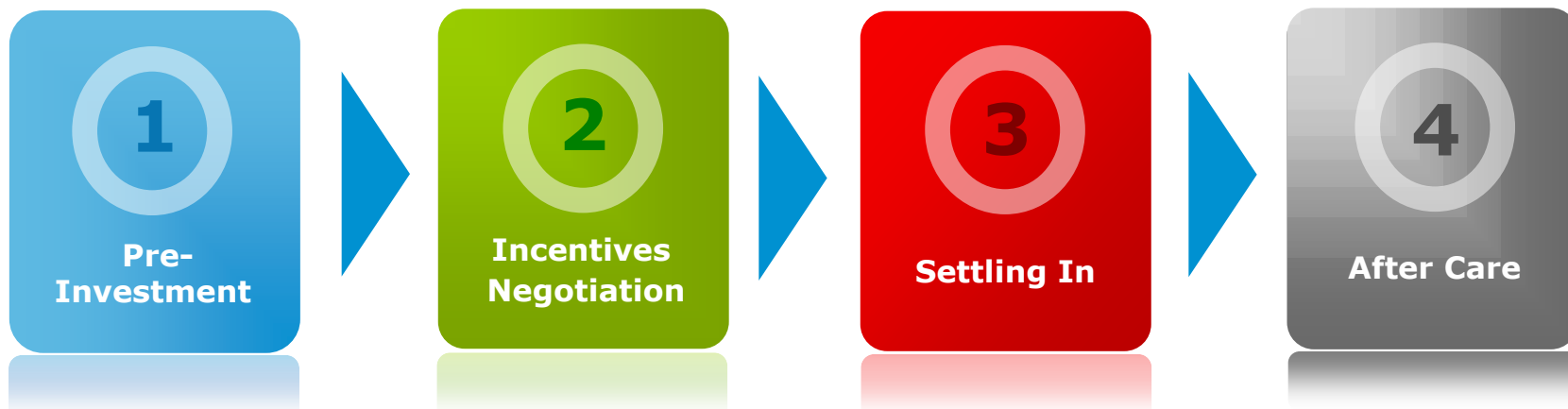
SOCIAL SECURITY REFUND

18 Months

- ✓ Permanent contracts:
 $18 \text{ months} * 23,75\% * \text{Monthly wage}$
- ✓ Fixed-Term contracts:
 $18 \text{ months} * 23,75\% * 75\% * \text{Monthly Wage}$



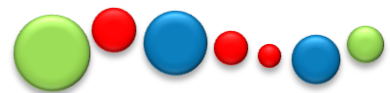
AICEP: how can we help you?



Single point of contact in all phases: pre-investment, incentives negotiation, settling in and after care.
Government business entity, flexible, **free of charges** and streamlined services.
Key Account Manager to support you on a regular basis

| Recent Projects at AICEP (since January 2013) | |
|--|---------------------------|
| New intentions of investment (total) | 244 |
| SSC sector | 29 (12%) |
| Main countries of origin | France (7) USA (6) |

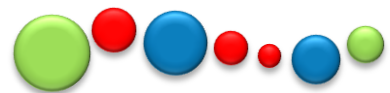




AICEP: One-stop-shop for Investors

**FOREIGN
INVESTORS**



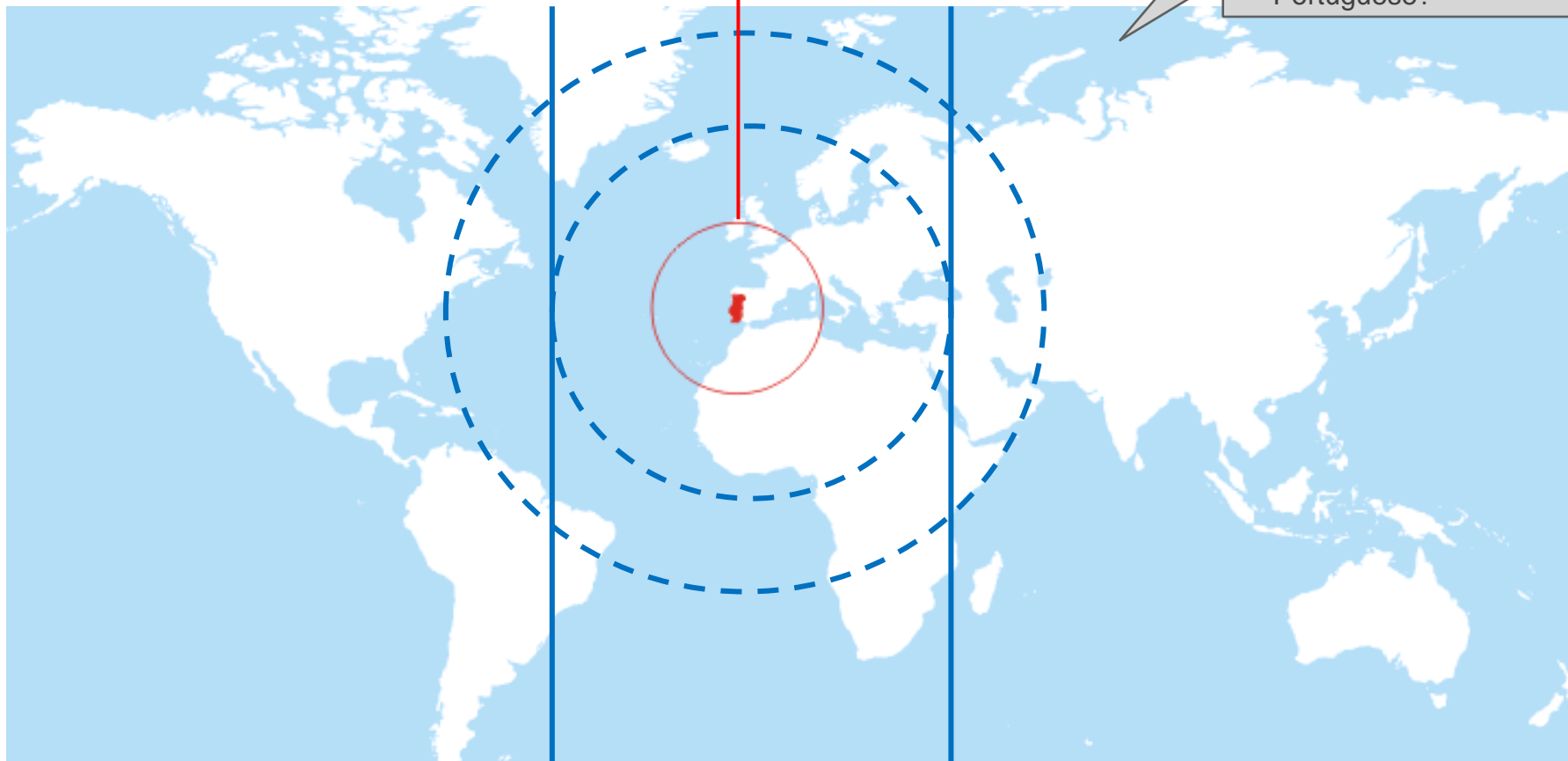


Key Position

Same time as UK & Ireland
[GMT 0]

Brazil: -3h

Moscow: +3h



Did you know?

From Portugal, you can serve 250 Million people across the world speaking Portuguese?

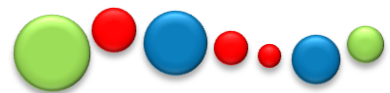


Number of Weekly Flights to

| | |
|----------|-----|
| Germany: | 213 |
| France: | 397 |
| UK: | 481 |



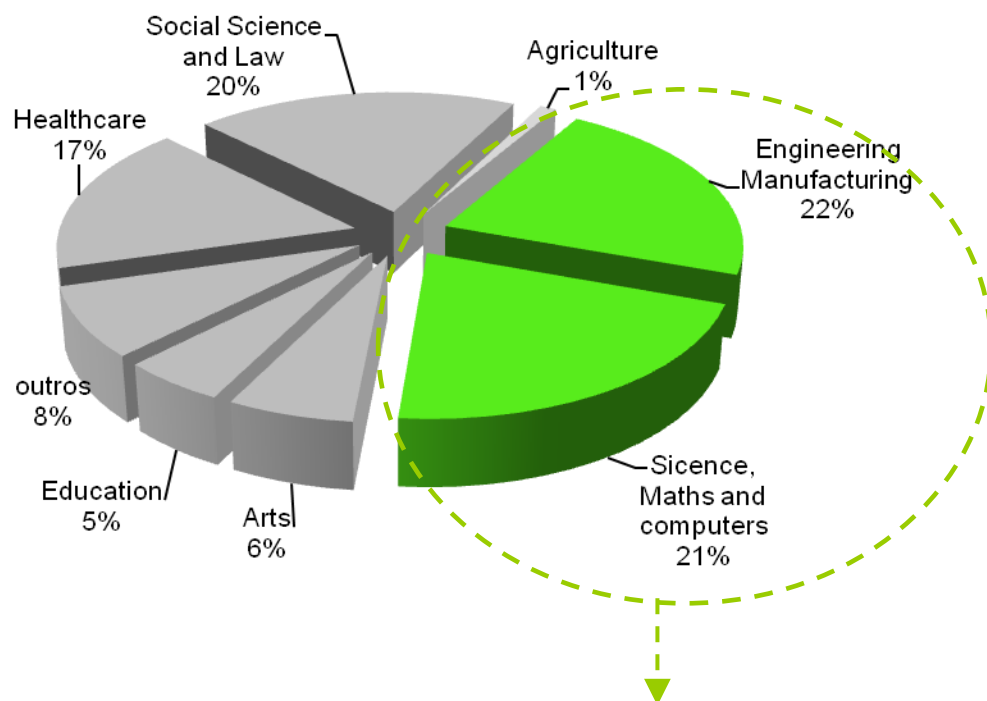
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Education & Labour Force

Higher Education: qualified workforce available

STUDENTS ENROLLED IN HIGHER EDUCATION INSTITUTIONS BY FIELD OF STUDY, 2012/2013

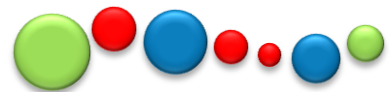


Recognized skills:

- Good command of the English language;
- Good level of academic qualifications;
- Ability to solve new problems / Adaptability;
- Commitment to work

HIGH-TECH AREAS REPRESENT 43%

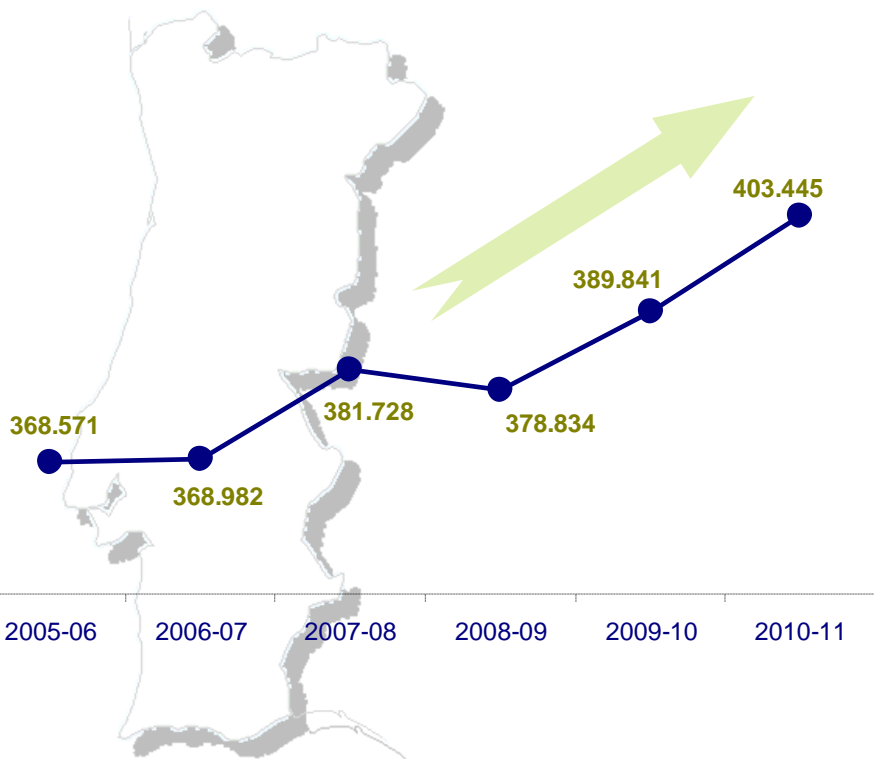




Education & Labour Force

Highly talented workforce

Enrolled in higher education, 2005-2011



MOBILITY

ERASMUS Students Mobility (2012):

Inbound students: 8.087 ($\Delta + 6,6\%$);
Outbound students: 5.269 ($\Delta + 4,7\%$)

WORLD CLASS PROGRAMS



OPENNESS

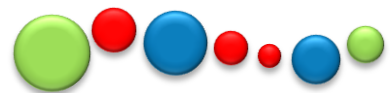
Portugal is ranked # 2 in Migrant Integration Policy Index III 2011 out of 31 countries, European Commission

TOP BUSINESS SCHOOLS

Catholic (#25), Nova (#36) and Porto (#66) are part of the TOP European Business Schools 2013 (Financial Times)

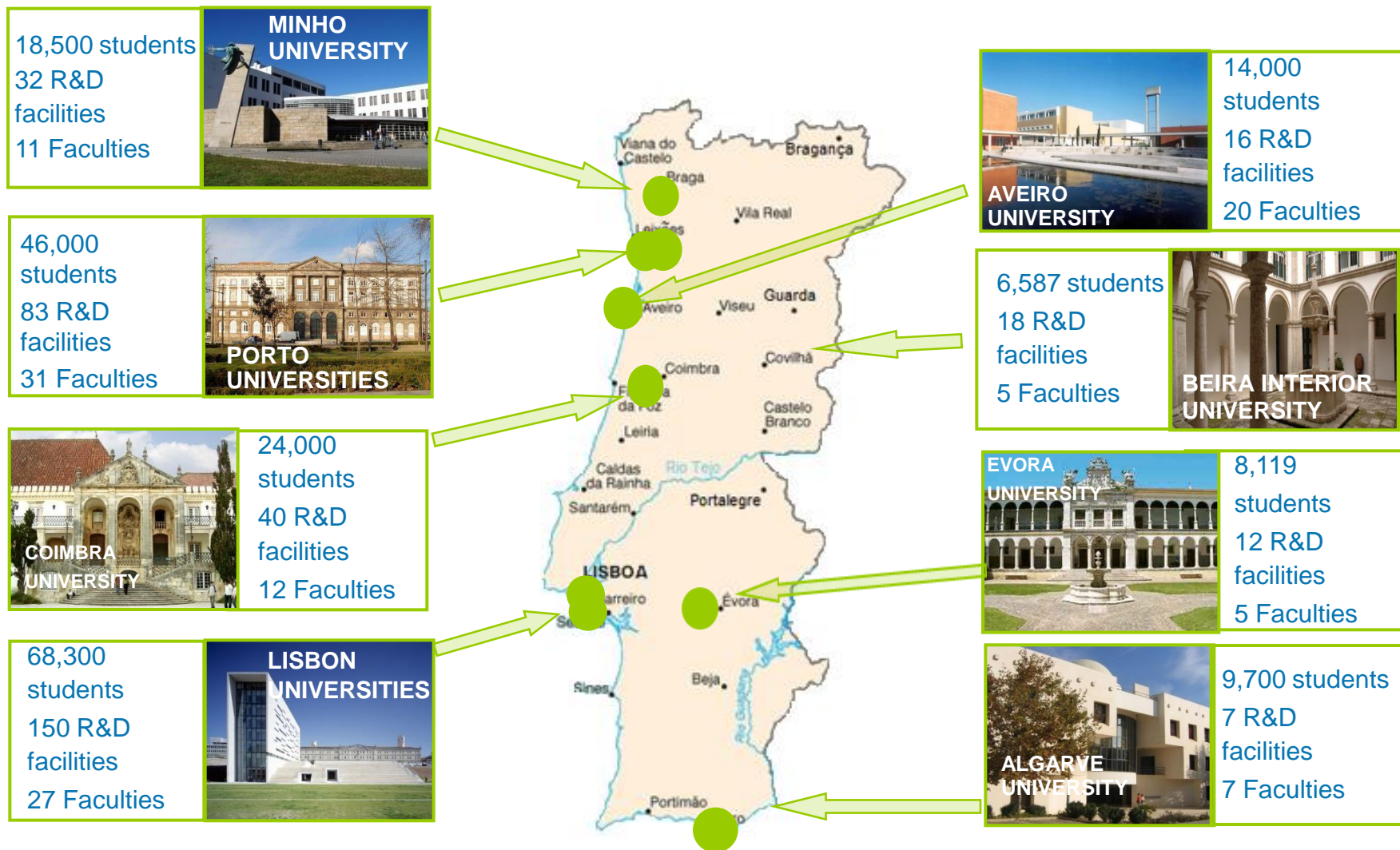


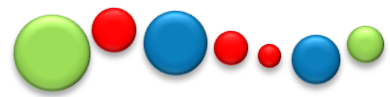
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Education & Labour Force

Reference Universities in the country





Education & Labour Force

Labour Force Available



| Unemployment (1 ^o QT - 2014) | |
|--|---------------------------|
| Unemployment Rate | 15.1% |
| Young People (Aged between 16 and 24) | 35.7% |
| With University Degree | 18.0% (148,4 thousand) |

Source: INE, 1Q 2014

STRONG SUPPLY OF QUALIFIED LABOR

Layoff flexibility

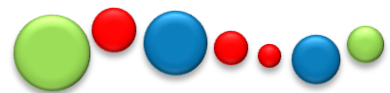
Bank of hours

Dismissal

LABOR REFORMS

- **Less 4 public holidays**
- **Vacation days: 3 extra days eliminated**
- **Overtime work payment reduced by 50%**
- **Layoff with new rules to reduce deadlines**
- **Hour bank system** during production peaks
- **Dismissal for inadequacy** to work can now take place.
- **No compensation for Dismissal with just cause**
- **Compensation for dismissal decreases**





Language Skills

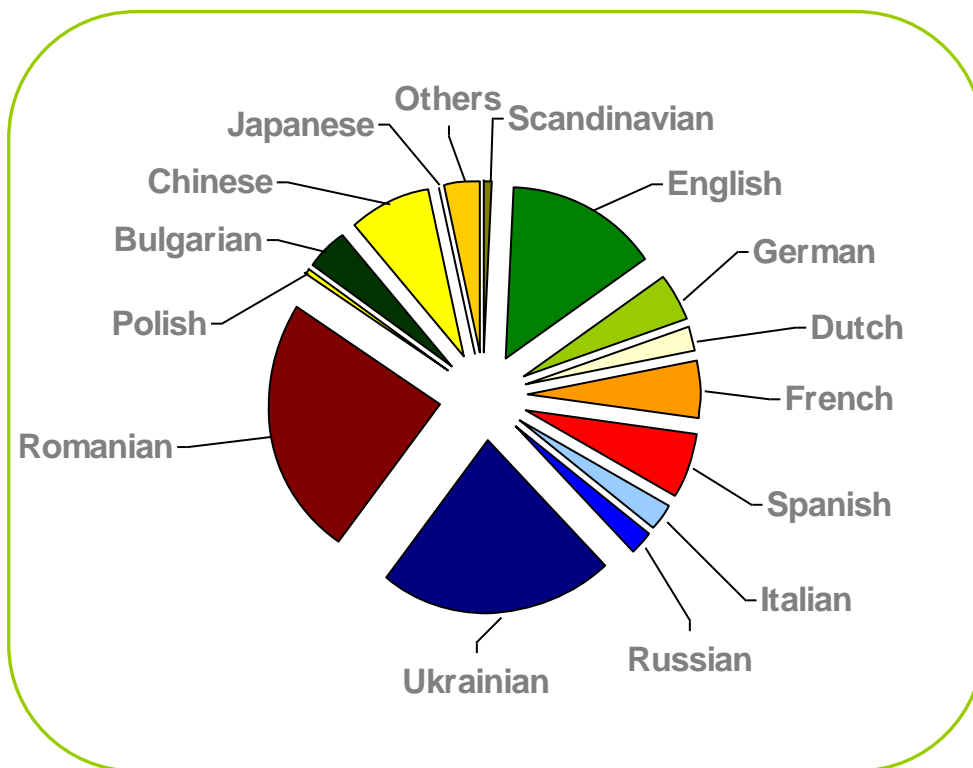
The country has made several efforts towards an increase in the foreign languages learning at school

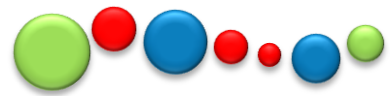
Wide pool of multilingual skills



- **High Proficiency** in English; Portugal ranks # 17 out of 60 countries according to **EF English Proficiency Index 2013**
- 80% of the students enrolled in high school also **learn English**;
- 63% of the students enrolled in high school **learn French**;
- Around 20% of highly qualified workforce has attended foreign language degrees;

Native Speakers living in Portugal





BROADBAND

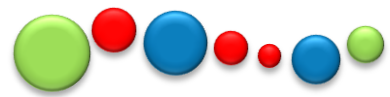
- Portugal **ranks #5** among OECD countries in % increase of Broadband penetration.
- % of fibre connections in total broadband: **15,2%, above OECD average**, (Dec. 2012).
- Annual growth of fibre subscriptions: **53,26%** against 13% in OECD average.



FIBRE

- **90%** of public service are online.
- **86%** of companies have broadband connection.
- **Portugal is in the TOP 3 in Europe**, in fastest advertised download speed (The World in 2013 - ICT Facts and Figures)



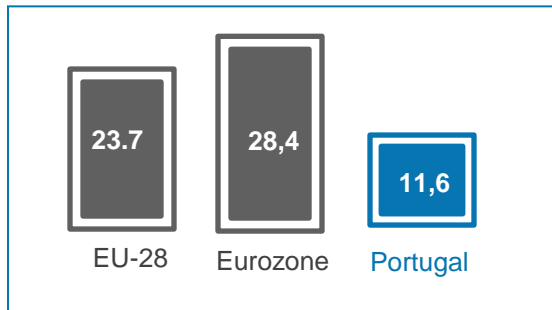


Competitive Costs

MINIMUM WAGES - 2013

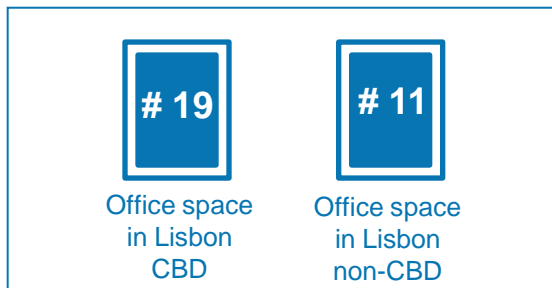
LABOR COST: € 11.6

LABOR COSTS

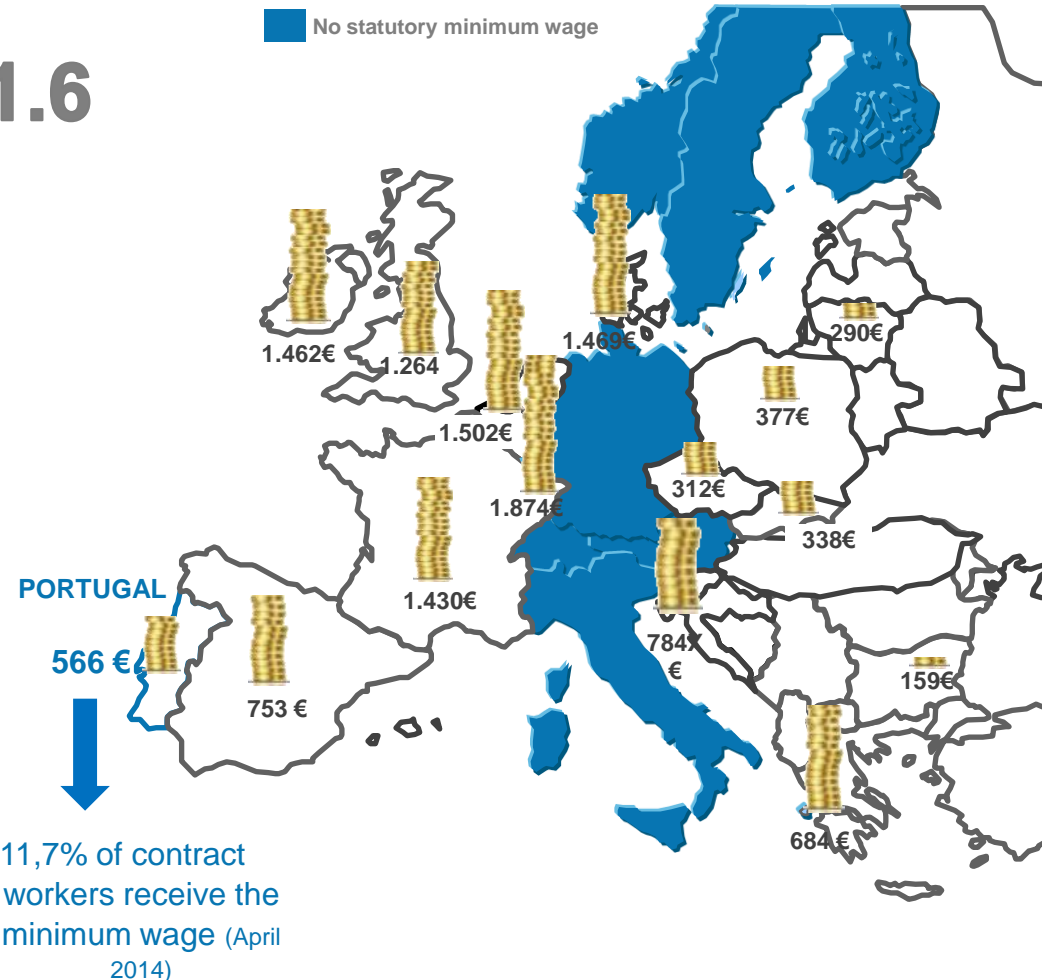


Eurostat, Labor cost per hour in euros , 2013

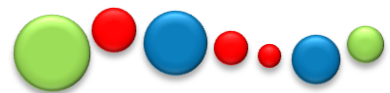
REAL ESTATE RANKINGS



Cushman & Wakefield, 2012; 63 cities



Source: Eurostat, 2013
Data as on April 25th in European Union.



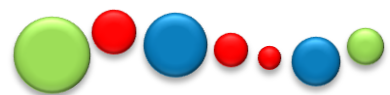
Office Space

Office Space Available

- **Prime Rents:** are expected to see further pressure to decrease as landlords compete for tenants.
- **Vacancy rates** in Lisbon 2013: 12.2%, the highest ever recorded (570,000sqm)
- **Space currently under construction** in Lisbon: 64,000sqm

Average Monthly prices





Main cities attracting services

Largest cities in Portugal – Porto and Lisbon – concentrate the main services centers. Second-tier cities are also attracting services, for their lower costs, dynamic and skilled local university graduates and higher office vacancy rates.

BRAGA

AVEIRO

LISBOA



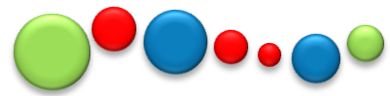
PORTO

PORTO

BEIRA AREA

BEIRA AREA





Awards

Contact Centre World Awards 2013



Gold Medal



TELEPERFORMANCE :
Best Contact Center Mega
Best Outbound Campaign
Best CC Design Award, Customer Service



NOS OPTIMUS - Best in Customer Service (Large Inhouse)



DHL - Best in Customer Service -Inhouse



NOS ZON – Best Incentive Scheme



Silver Medal



DHL - Best Contact Center Medium Inhouse



NOS ZON – Best Sales Campaign



Bronze Medal



Montepio – Best Contact Center Medium Inhouse



Achievements

Breaking News

Siemens is focused on developing Competence Centers with high added value and services for export in Portugal. The most sought after areas are electrical and electronic engineering, computation, IT systems, telecommunications, among others.



SIEMENS

In Feb. 2014, aeronautics giant **Embraer** announced the creation of an engineering and technology center in Évora, Alentejo, devoted to projecting pieces made of composite materials.



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