



COVID-19 Update

Moving Forward

July 2020

pulse
survey

In Aires' fifth survey on the impact of the COVID-19 pandemic on employee mobility, our focus shifts to ever-changing return-to-office efforts, long-term effects on businesses, the executive order suspending U.S. inbound immigration, the European travel ban, and mobility policies and exceptions.

Employee Work Locations

As different locations find themselves in different stages of recovery (and relapses), there appears to be a very fluid approach to returning non-essential employees to offices. One thing is for certain, implementation of returning employees to work is taking much longer than originally anticipated in May.

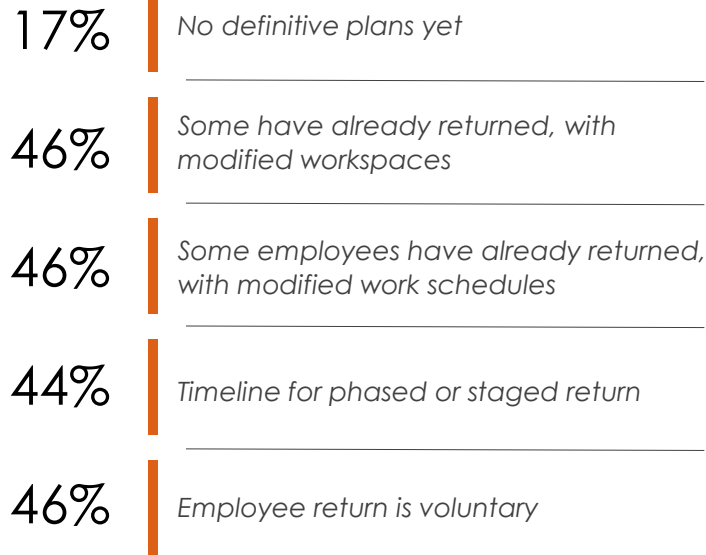
In Aires' fourth survey published in May, many employers stated that return-to-office measures were dependent upon local guidelines (32%), were yet to be determined (25%), or would be phased (22%). The remaining 21% had either already returned some of their employees or were targeting June or July.

The results of the fifth and most recent survey (based on data collected at the beginning of July) show that around one-third of employers now anticipate return-to-office being delayed until the first quarter of 2021.

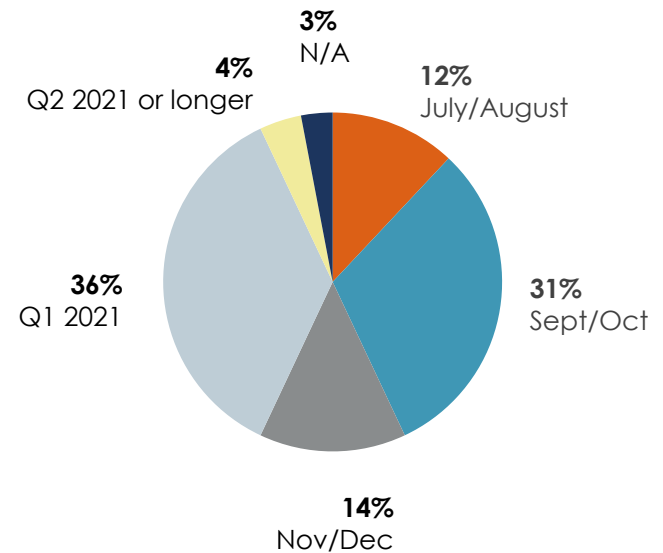
This is not a simple process for many. Approximately one-fifth of survey respondents commented on having multiple locations, either in different regions or different countries (with different levels of new COVID-19 cases and differing local restrictions); this requires having varying return-to-work measures in place. Almost one-fifth have already returned some employees to their offices. Common themes appear to be modified workspaces, modified work schedules, and phased returns.



Return-to-office plans



Work-from-home anticipated to be in place until



“ Plan comments:

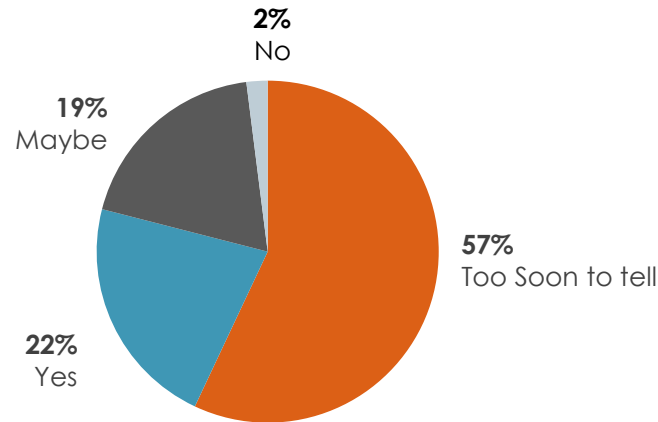
This is a tough one to answer. We have over 30 project sites around the country, so the timeline varies for each. A handful of sites are back in the office, some have a plan to go back in September, and others have no anticipated return to work date.

Some countries are starting to return to office – Iceland, parts of APAC, etc. I expect the U.S. will have some offices open with limited capacity for essential work (10-20% of the population and entirely optional) in the next few months. Our work-from-home is in place through 10/31; however, we expect that to be extended through end of year.

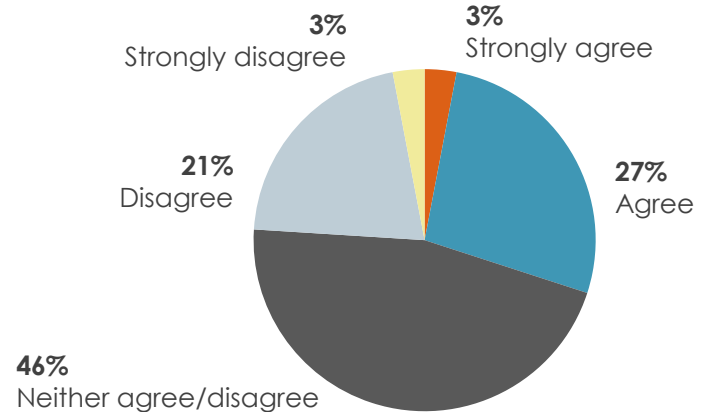
Right now, we are not looking to fully open the office until the Fall. That said, we are doing well working remotely and there is no rush for anyone to come back.

Four or more months into work-from-home for many, the feedback is mostly positive. Many employees have reported that the transition, albeit challenging at first with technology and logistics, is proving to be very manageable for their workforce. This begs questions to be answered about what the future holds for office space and global footprints.

Do you have some employees that may never return to their office?



Do you believe your organization will reduce office space as a result of more remote workers?



Furthermore, almost one-third of survey respondents believe that long-term office space may be reduced due to having more remote workers. Forty-one percent neither agree nor disagree (or believe it is too soon so to tell what will happen long term), but only 20% of respondents believe there will be no change in the amount of their office space. Industries most often replying they may have some employees that never return to the office or they may reduce office space due to more remote workers include Finance/Insurance/Investment, Pharma/Health, & Technology.

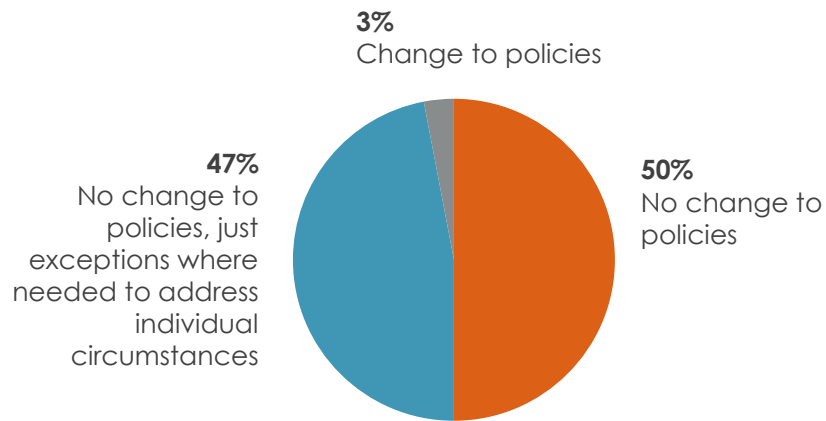
ONE out of every **FIVE** survey respondents agrees that some employees may never return to the office, while more than half say it is too soon to tell.

Employee Mobility Policies

While there appears to be much ambiguity with return-to-office measures, there is one thing that remains to be constant through all of the Aires pulse surveys regarding COVID-19: few companies have made changes to their employee mobility policies.

Only 3% of survey respondents confirm making a change to their mobility policy benefits as a direct result of the pandemic; however, 47% confirm granting exceptions, which is not surprising. As previously reported, common exceptions revolve around extended temporary living, extended storage, and extending the time frame available for coverage of relocation expenses. Employers are finding it necessary to provide assistance based on individual circumstances.

Pandemic's impact on employee mobility policies



Exceptions noted by survey respondents and their frequency:

| Exceptions | Percentage |
|---|------------|
| Extended temporary living | 63% |
| Extension beyond the normal relocation time period (typically 1 year) | 44% |
| Extended storage | 13% |
| Cash allowances | 9% |
| Extension of home sale processes/marketing period | 9% |
| Remote working in lieu of relocation | 6% |
| Deferral/carryover of home leave | 6% |
| Driving reimbursement instead of flying | 6% |
| Lump sums in lieu of policy benefits | 6% |
| Extension of home sale bonus eligibility | 6% |
| Additional shipment | 3% |
| Private car service | 3% |
| Increase in commuters in lieu of relocation | 3% |



The few survey respondents that have made changes to their mobility policies have reduced some benefits or switched to paying lump sums instead of offering managed moves.

Challenges to Employee Mobility

The survey took a closer look at how mobility programs are being impacted by external factors such as employee acceptance rates, travel bans, and executive orders.

Will employees be less likely to accept relocations in a post-COVID-19 environment? Respondents largely confirm that they are seeing the very same acceptance rates for their post-COVID-19 offers compared to pre-COVID-19 offers. While most locations are only about four months into the impacts of the pandemic, this data could be a bit premature, as many of the relocations and assignments that are currently happening have been on hold. The high percentage of survey respondents that confirm their acceptance rates are not declining post COVID-19 is positive news that employees are still going to relocate.

90% of survey respondents confirm that the acceptance rates of post-COVID-19 relocation/assignment offers are holding steady compared to the acceptance rates of pre-COVID-19 relocation/assignment offers.

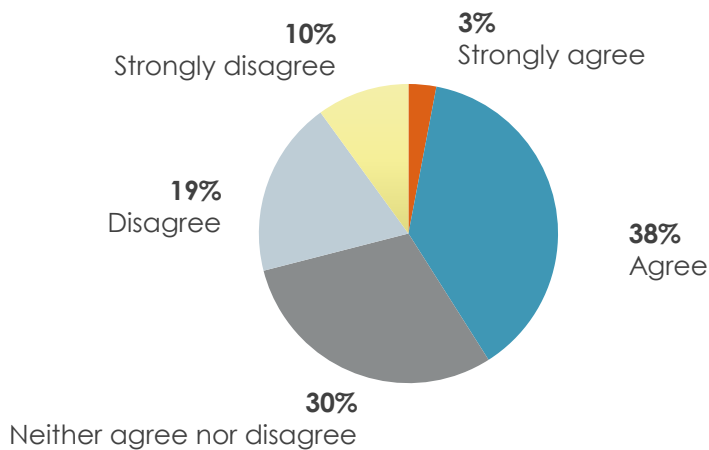
Unfortunately, the views on the European travel bans for Americans (and others) and the executive order suspending inbound U.S. visas predominantly used by mobile employees is not as positive.

Forty-one percent of survey respondents believe their mobility programs and talent acquisition abilities will be negatively impacted by the European travel ban, while 74% believe the suspension of U.S. work visas will harm their programs.

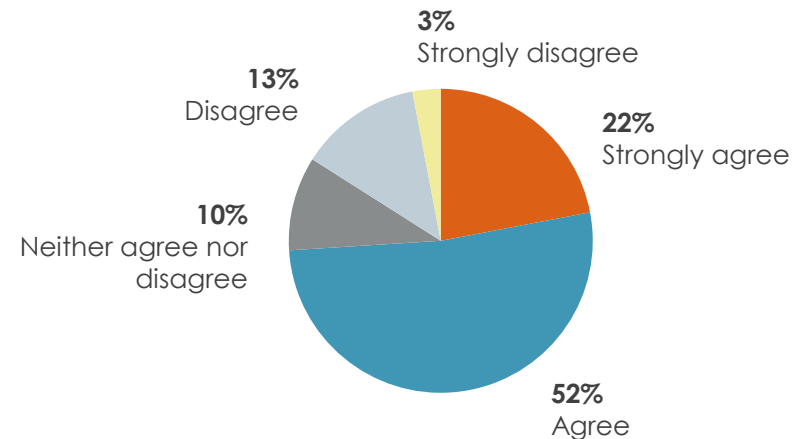


Many employers believe these acts may negatively impact their ability to fill critical talent needs within their organizations. More survey respondents feel strongly about the potential harm of the suspension of the U.S. work visas than the European travel ban.

Our mobility program and/or talent acquisition abilities will be negatively impacted by the ban on Americans traveling to Europe:



Our mobility program and our talent acquisition abilities will be negatively impacted by the suspension of H1B, J, and L visas:



Home Leave

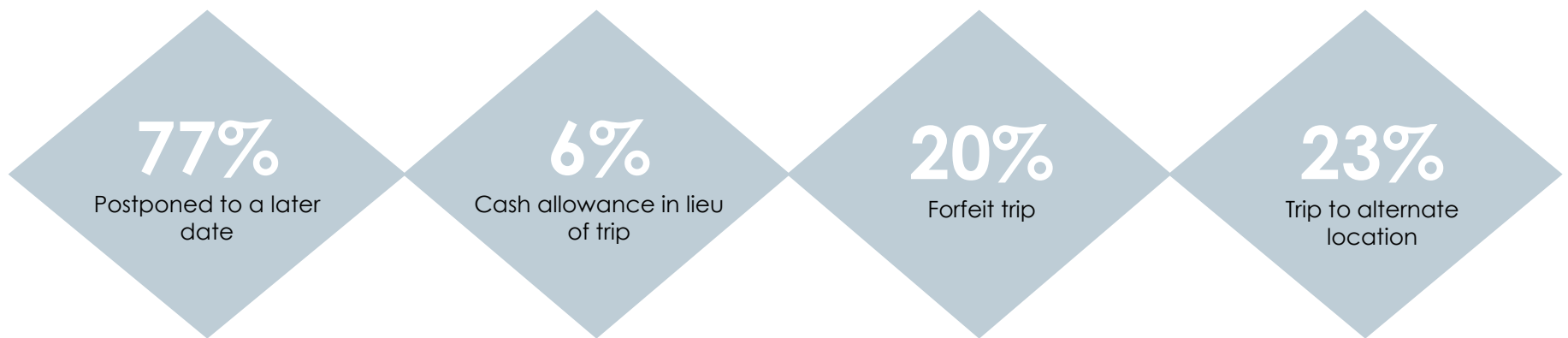
Each edition of the Aires COVID-19 pulse surveys has included benchmark data to reflect how employers are dealing with specific requests and circumstances that result from the pandemic. This survey is no different.

Now that there has been time to adjust and adapt some services to a “new normal” (e.g., household goods, real estate, destination services), the most common benefit we are currently hearing discussions around is home leave, the annual or semi-annual return trip home from an assignment location. For employees that are in a country impacted by travel bans (in or out), as well as for those who are choosing not to travel by air for health reasons, we asked employers how they are managing individual requests to delay home leave trips.

Forty-six percent of respondents confirm having employees who are either unable or unwilling to use their home leave benefit during a time period when they would otherwise be eligible to do so. The most common response by employers is to postpone or delay the home leave trip(s).

Three survey respondents noted already paying a cash allowance to assignees in lieu of reimbursing home leave trips; they all stated that they are continuing to pay those allowances. However, there are varied approaches being taken depending on the circumstances, as well as multiple approaches being taken within individual organizations.

Options provided in lieu of home leave trips:

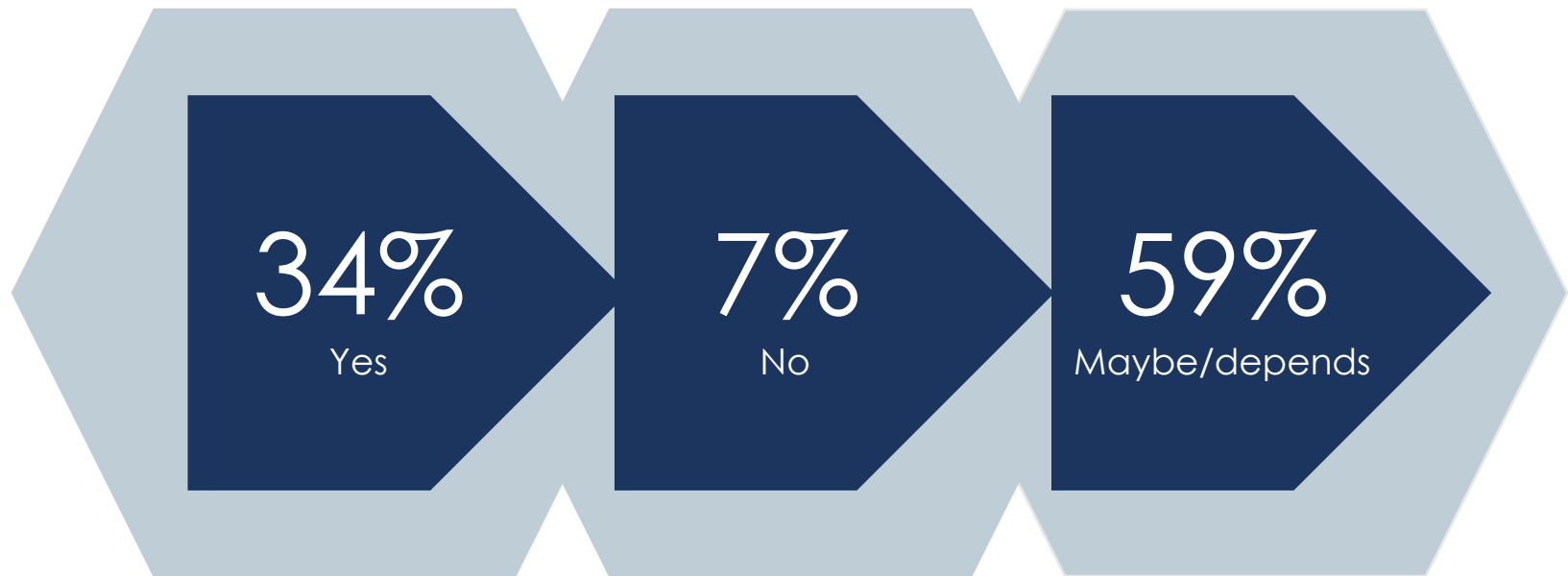


One survey respondent noted paying summer school tuition in lieu of a home leave expense, so it appears that employers are willing to trade expenses if it makes sense for all parties involved.

Required Quarantine

Employers may also be apt to cover quarantine costs, if quarantine is required and costs are incurred upon arrival in a location. Not all locations have such a quarantine in place, and in some locations it may vary. Quarantine is also largely self-imposed, but in a few locations, there may be stricter requirements.

Will costs associated with any mandatory 14-day quarantine upon arrival in a host location be covered?



Survey Participants


There was a total of 79 survey participants from various industries.

Participant Profile

| Industries | Percentage |
|---------------------------------|------------|
| Automotive | 4% |
| Chemicals | 2% |
| Consumer Products | 5% |
| Energy | 9% |
| Financial/Insurance/Investments | 14% |
| Food/Beverage | 2% |
| Legal/Professional/Consulting | 5% |
| Manufacturing/Construction | 15% |
| Non-Profit/Education | 2% |
| Pharmaceuticals/Health | 11% |
| Retail/Restaurants | 11% |
| Technology | 15% |
| Telecommunications | 1% |
| Transportation/Distribution | 4% |

Participant Size

| # of Employees | Percentage |
|------------------|------------|
| 100,001 or more | 16% |
| 50,001 – 100,000 | 14% |
| 20,001 – 50,000 | 20% |
| 5,001 – 20,000 | 23% |
| 1,001 – 5,000 | 21% |
| 1,000 or less | 6% |



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