Global Crisis: Human Capital Road Map
Responding to the COVID-19 pandemic: Restoring Stability (Stage 2)

Our Point of View
The COVID-19 pandemic underscores the material value of the health and contributions of people to business success. Responding to and recovering from the crisis is just the start. True leadership will be defined by the actions we take to protect, preserve and sustain that human capital value.

This means revising operations, programs and policies. Begin by taking the best of what we rapidly introduced. Reimagine the rest for flexibility, resiliency and efficiency.

Beyond this crisis, we need to acknowledge the ongoing risk of another pandemic or global crisis. At minimum this means preparing our organizations to be agile and flexible to pivot to multiple short-term scenarios while simultaneously thriving in the long-term.

Key Stages of Action
There are three phases of action for organizations and their leaders:

1. Managing through the crisis
   - The Stage 1 summary presented leadership actions companies could take to respond rapidly to the crisis during a continuous cycle of reaction, adaptation, and sustaining as more is learned and conditions change.

2. Restoring stability
   - This summary shares actions on resetting and reimagining operations under new assumptions, protocols, focus areas, and pace.

3. Operating post-crisis
   - Future summary: Achieving sustainable operations and business model, and redefining what normal means in the new environment.

Restoring Stability
Prepare

The following areas of action are prevalent among companies as they plan a comprehensive and safe strategy for restoring stability and reopening economies and markets under new assumptions. Planning for Stage 2 is advised during Stage 1.

### Health
- Evaluate the need for and extension of pandemic related coverage, protection, vendor services
- Promote benefits (health, welfare and risk insurance) to raise awareness and build confidence
- Model cost implications of future claims due to the pandemic and deferred treatments

### Wellbeing
- Develop comprehensive safe return-to-work plan, including continuation of relevant workplace policies, self-assessment, on-site health checks, proactive emotional support, and updated rules for business travel to prevent re-emergence of COVID-19 and create confidence; address needs of at-risk cohorts
- Implement employee listening strategy to understand and prepare for return-to-work stress points
- Develop leader and manager wellbeing toolkits to help build confidence and return to productivity

### Work
- Evaluate all options for new ways of working, including workforce scaling (up/down), using contingent workers, reskilling/upskilling, automation and digitalization
- Develop plan to determine where remote work should be gradually phased out and where continued

### Pay
- Model business performance scenarios (including key human capital and ESG measures) to assess current compensation and governance programs (interim/ongoing) to align with performance outlook
- Identify changes to plan design (e.g., base salary, STI, LTI), goals and performance metrics

### Retirement
- Assess impact of economic downturn and participant behavior (e.g., savings rates, withdrawals investment changes) on employee wellbeing and retirement readiness; outline objectives for restoration
- Review pension financial management strategy; identify near-term actions (e.g., cash preservation) and long-term objectives; assess all legislative developments to protect employees and businesses

### Culture
- Redefine culture fostering collaboration, flexibility, agility, inclusion and acceptance under new realities where new sets of needs may exist, and address loss, fear and anxiety to ensure psychological safety
- Create visibility and enable leaders and managers to lead through change and build trust by reconnecting to purpose and confirming strategy and direction
- Evaluate key employee metrics (e.g., wellbeing, engagement, attitudes) to inform a comprehensive change and communication strategy

Reimagine work and rewards for agility, virtual working, automation and reskilling
Lead with practicality, compassion, and transparency, and make work culture safe and inclusive
Protect employees and build resilience across physical, emotional, financial, and social wellbeing
Build flexibility in cost and actively manage financing of health, retirement, pay, and career programs
Rethink governance and oversight of human capital metrics to emphasize health, safety, and sustainability
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<tr>
<th>Area</th>
<th>Action</th>
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<tr>
<td><strong>Health</strong></td>
<td>- Confirm ongoing coverage and protection including continuation of relevant short-term policies during transition period (for both working and furloughed employees), utilization and effectiveness of alternative care, eligibility provisions, EAP support; execute open enrollment strategy in relevant countries</td>
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<td><strong>Wellbeing</strong></td>
<td>- Execute and communicate return to work policies, hygiene at work, social distancing protocols, mobility, and travel policies to support safety, health and physical wellbeing, as well as new/emerging needs</td>
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<td><strong>Work</strong></td>
<td>- Implement workplace policies to enable employees to return to work safely, address needs of certain cohorts and foster inclusion; assess opportunities for working in an agile and virtual environment</td>
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<td><strong>Pay</strong></td>
<td>- Modify pay rates for jobs that may have changed (e.g. cyber security, business continuity); update reward strategy and/or programs in light of changes in organization and workforce strategy (including focus on roles that have been pivotal to restoring stability, e.g., health care, distribution, sales)</td>
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<td><strong>Retirement</strong></td>
<td>- Continue monitoring pension financials and reporting to all stakeholders (e.g., management, labor representatives, employees, fiduciaries, auditors, external providers)</td>
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<td><strong>Employee experience and communication</strong></td>
<td>- Refocus on the essentials of the employee experience to redefine and ensure people understand their roles, feel supported, are being rewarded fairly and can effectively do their jobs in the new environment</td>
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<td><strong>Culture</strong></td>
<td>- Adapt healthy company mindset to new assumptions, including agility, dignity, psychological safety, inclusion, wellbeing, physical safety, and innovation — supported by leader and manager behaviors</td>
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**Additional details on the three key stages of action are detailed in our COVID-19 Human Capital Guidebook and supported by consultant discussions.**