



Non-traditional mobility: Igniting your global workforce strategy

2024 KPMG Global Mobility Forum

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—
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mobility

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Our GM Transformation: From following into driving

Eric Gangey – RWE Global Mobility Hub@KPMG Global Mobility Forum 2024



Energising the future. For 125 years.

Now, RWE is shaping the new energy era.



1898
The future starts today – 125 years ago.



Commissioning of RWE's first hydropower plant.
1905



1928
RWE builds the first cross-regional high-voltage transmission line.



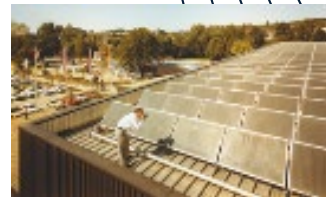
Lignite is the key to affordable electricity.
1914



1970s
Security of supply thanks to nuclear power.



Powering the economic miracle.
1950s



1976
RWE researches, develops and tests renewables.



RWE commissions North Hoyle in the UK – one of the world's first commercial offshore wind farms.
2004

2016
Stock market launch for retail and grid business and foundation as generation-only company.



2019
Transaction with E.ON.

RWE becomes one of the world's leading generators of renewable electricity.

2023
RWE Renewables Americas and Con Edison CEB combine to become RWE Clean Energy.

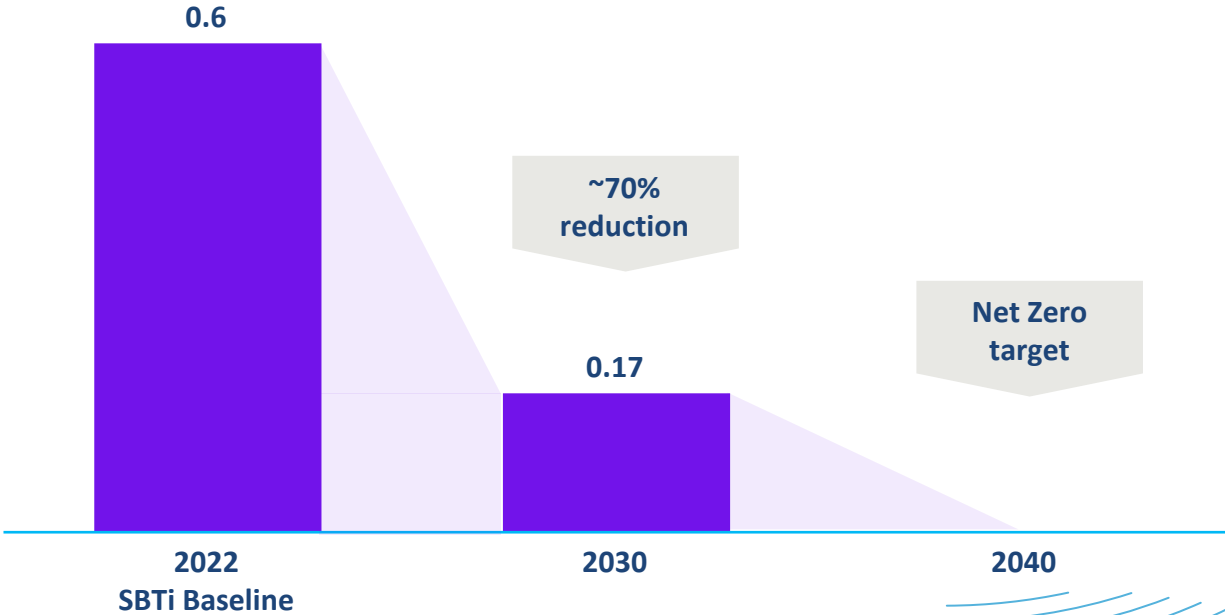


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We are committed to 1.5°C SBTi emission reduction pathway.

Scope 1 & 2 emission targets
kg CO₂e per kWh



Our objective: climate-neutral by 2040.

- We reduced our CO₂ emissions by 50% in the past decade
- We are committed to reducing our relative Scope 1 & 2 emissions by 70% by 2030
- We are committed to reducing our Scope 3 emissions by >40% by 2030
- We will be Net Zero in 2040 across Scope 1, 2 and 3 emissions
- Targets are in line with the 1.5°C emission reduction pathway¹



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¹ SBTi verification ongoing

RWE is one of the world's leading renewable energy companies.

No 2

Global Offshore

No 2

US Solar

No 4

US Solar & Wind

No 3

UK Wind & Solar

No 4

Europe Wind & Solar

track record
20+ years in
renewables

Note: Offshore market excluding China.

01

Strategic use of non-traditional mobility



Igniting your global workforce strategy

Assignees are seconded to **work locally for the employer**

Traditional



Non-traditional

Employees arrangements can be bespoke and flexible

Reasons for a decrease in traditional assignments:



Cost pressures



Global talent shortage



New ways of working and use of technology



Challenging regulatory landscape



Global and economic uncertainty



Focus on DE&I and ESG



83% of HR leaders struggle to find enough talent with the skills they need⁽¹⁾



800 Million professionals are looking for a job abroad⁽²⁾



57% would not take a job if it would impact their work-life-balance negatively⁽³⁾



85% of employees prefer to work remotely either fully or partially⁽⁴⁾

Source: (1) 2024 Gartner Talent Strategy Research, (2) 2024 BCG Decoding Global Talent, (3) 2024 Randstad Rethinking ambition: Workmonitor: the voice of talent in 2024, (4) Future Forum Pulse Report Winter 2022 - 2023

Insights on the evolution of international remote work

Eighty-three percent of CEOs expect a full return to the office within three years, though a third are concerned about the lack of skilled labor⁽¹⁾

1



From reaction to proactive management

2



From employee demand to employer strategy

3



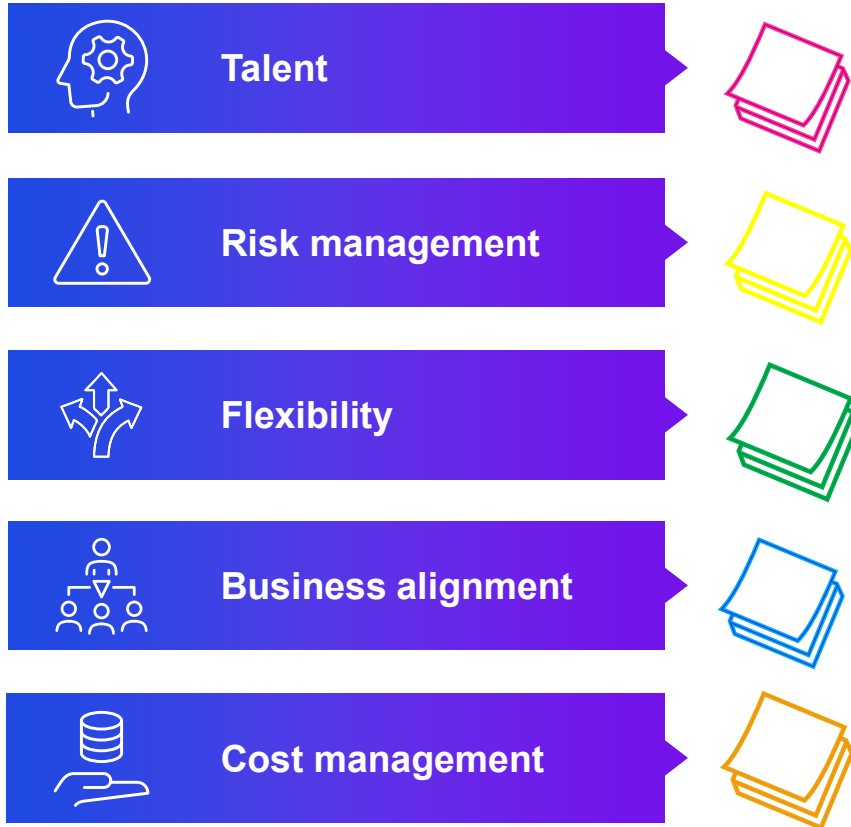
From short- to longer-term arrangements

Why “back to the office” is not the only mantra

Source: (1) KPMG CEO Outlook Survey 2024

Exercise 1: What are your strategic priorities?

Priorities



Potential benefits

- Enhanced employee experience
 - Talent acquisition, development and retention
-
- Alignment with overall business risk tolerance
 - Strong controls and oversights to monitor and manage global compliance risk
-
- Hire and retain global talent including in new and emerging markets
 - Provide targeted benefits that support employee engagement
-
- Support business objectives through data driven insights and best practice
 - Support further market reach
-
- Maintain efficiency and minimize mobility program and operational costs
 - Anticipate talent costs and help in managing budgetary challenges

02

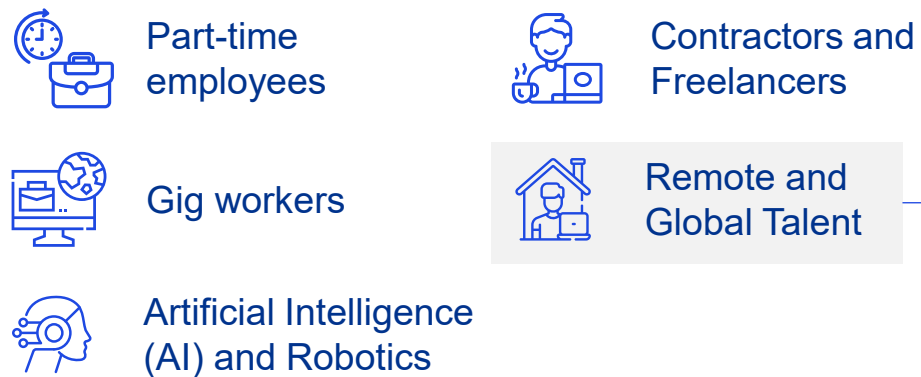
Approaching a strategic program build

Skills over roles

Move away from traditional job-based workforce planning towards a skills-based approach

- Break down roles into tasks and focus on skills required to perform tasks
- Allows for greater flexibility and agility in deploying talent where it is needed most
- Enables rapid scaling up/down of workforce

An evolving definition of 'workforce'



Source: KPMG Strategic Workforce Planning (2024)



Domestic/ International remote workers



Matrix structure



International hires



Global expansion

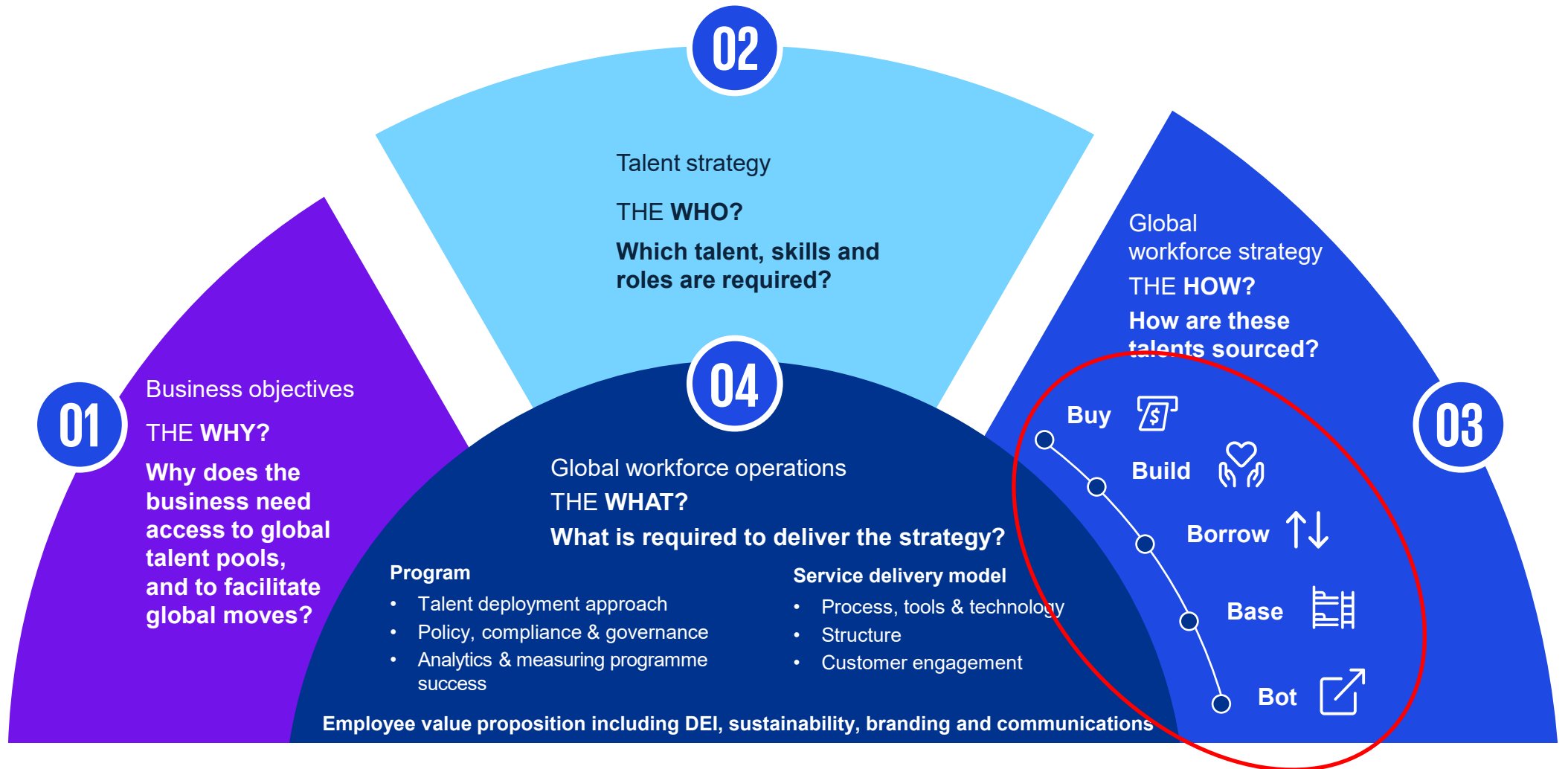


Commuters

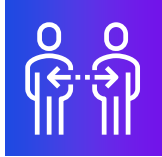


Cross border hybrid

Global Workforce strategy



Workforce levers: focus on the right skill for the task



How you can effectively bring in talent to meet increased demand or demand for new skills?



How you can enhance and develop talent, to reduce attrition or upskill to take on new roles?



Buy

Attracting and recruiting the right skills at the right levels



Borrow

Borrowing skills and capabilities for specific purposes e.g. contractors, internal mobility, outsourced services to third parties



Base

Decision on the location for the skillset based on factors such as ability to attract, language & remote-ability of the role e.g. offshore workers, digital nomads



Bot

Automate or augment day-to-day tasks to enhance how they are carried out

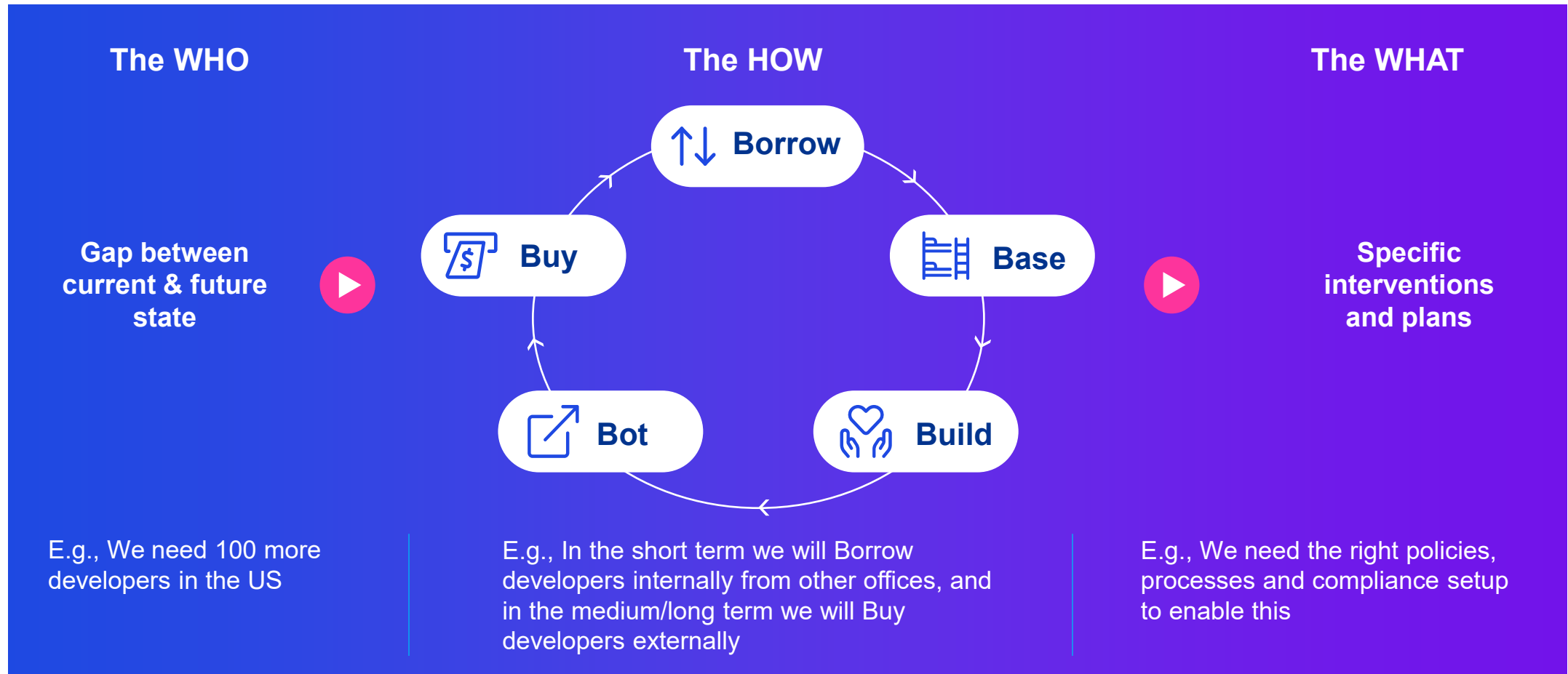


Build

Upskill and reskill existing employees to fill newly redesigned roles (based on digital ways of working)

Modelling workforce levers

Bridging the gap between current and future workforce using the workforce levers.



03

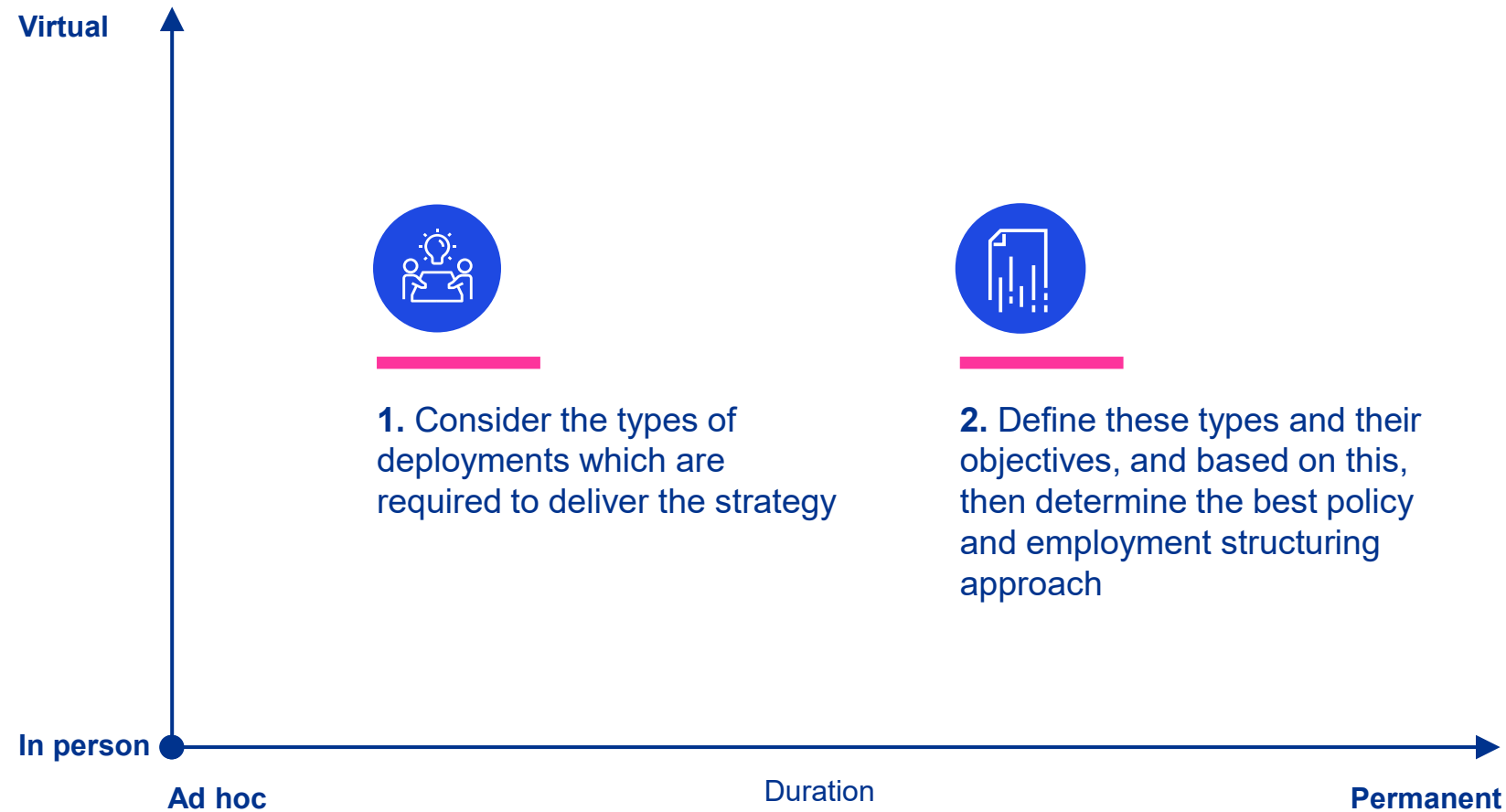
Practical approaches: policy and employment structures



Global Workforce strategy



Talent deployment approach



Policy considerations



Immigration & Employment Law



Employment Tax



Corporate Tax



Guardrails



Scope



Reward approach



Talent management



Security and other policies



Technology & data security



Eligibility

Exercise 2: How would you design your own policy in the following scenario?

- **Commuting arrangement**
- **50% split of duties in two different countries**

Policy considerations

- Commuting arrangement
- 50% split of duties in two different countries



Immigration & Employment Law

What are the requirements to ensure compliance?

- Right to work and immigration
- Employment contracts
- Employment rights in location of work



Employment Tax

What are the requirements to ensure compliance?

- Employment tax obligations and withholding requirements
- Payroll registration and reporting requirements



Corporate Tax

What are the requirements to ensure compliance?

- Corporate tax implications
- Intercompany agreements and transfer pricing considerations



Guardrails

Under which conditions will the policy apply to ensure compliance?

- Locations
- Activities
- Thresholds



Scope

Who does the policy apply to?

What is the intent of the policy and who does it apply to.



Reward approach

How will compensation and benefits be designed?

Basic reward e.g. salary, social security, pension, insurances

Additional benefits or allowances

Clarify personal costs and expenses



Talent management

How will key aspects of the talent lifecycle be handled?

E.g. onboarding including the provision of equipment e.g. laptop, performance management, career development etc.



Security and other policies

Which other policies such as key HR policies will apply?

E.g. health and safety, disciplinary and dismissal, parental leave policies etc.



Technology & data security

How will data privacy and network security risks be managed?

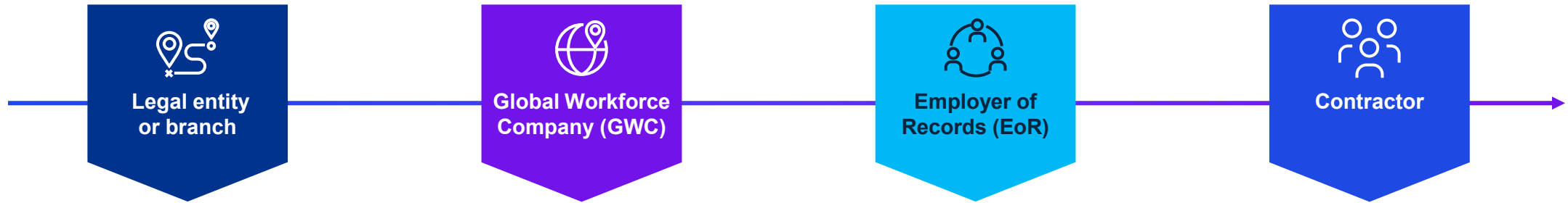










Eligibility

What are the eligibility criteria?

E.g. specific business units/ functions/ roles.

Employment structures: pros and cons



 <ul style="list-style-type: none"> • Greater control • More stability • More options 	 <ul style="list-style-type: none"> • Scalable solutions that allows the employer to expand in new markets • Reduced risk and compliance • Hire control 	 <ul style="list-style-type: none"> • Allows to hire quickly in a country without legal entity • Allows to try and test • Low administrative burden • Low set-up costs 	 <ul style="list-style-type: none"> • Flexibility to hire for a specific task/project • Can be cost effective • Limited liability
 <ul style="list-style-type: none"> • Higher administrative burden /time-consuming • Higher set-up costs/Can be more costly • Greater legal and financial liability 	 <ul style="list-style-type: none"> • Higher-set-up costs • The need to ensure local compliance for global employees remains 	 <ul style="list-style-type: none"> • Higher running costs • Limited control • Should be limited in time to reduce PE/labor leasing risk • Might not be well perceived by employees 	 <ul style="list-style-type: none"> • Reduced control & oversight • Limited loyalty • Risk of misclassification • Tax risk

Discussion

Q: What types of employment structures are you seeing?

Group discussion

04

Spotlight on RWE



The initial question

“Is HR prepared to support this huge transformation and are we prepared to manage global working ?”

Our steps we have taken to transform

1

What does the
Business need ?

2

Where are we today
at RWE?

3

How is the world
today ?

4

How should our
target picture look
like ?

5

What will it need to
get there ?

Rome wasn't built in a day...

And about building Rome....



05

Key Takeaways



Key takeaways



Takeaway 1

- Skills shortages continue
- Talent marketplace expansion, internally and externally



Takeaway 2

- The shift from global mobility to global workforce



Takeaway 3

- Engage with broader stakeholders to step back and take a look at the bigger picture; obtain buy-in

Any questions?

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