

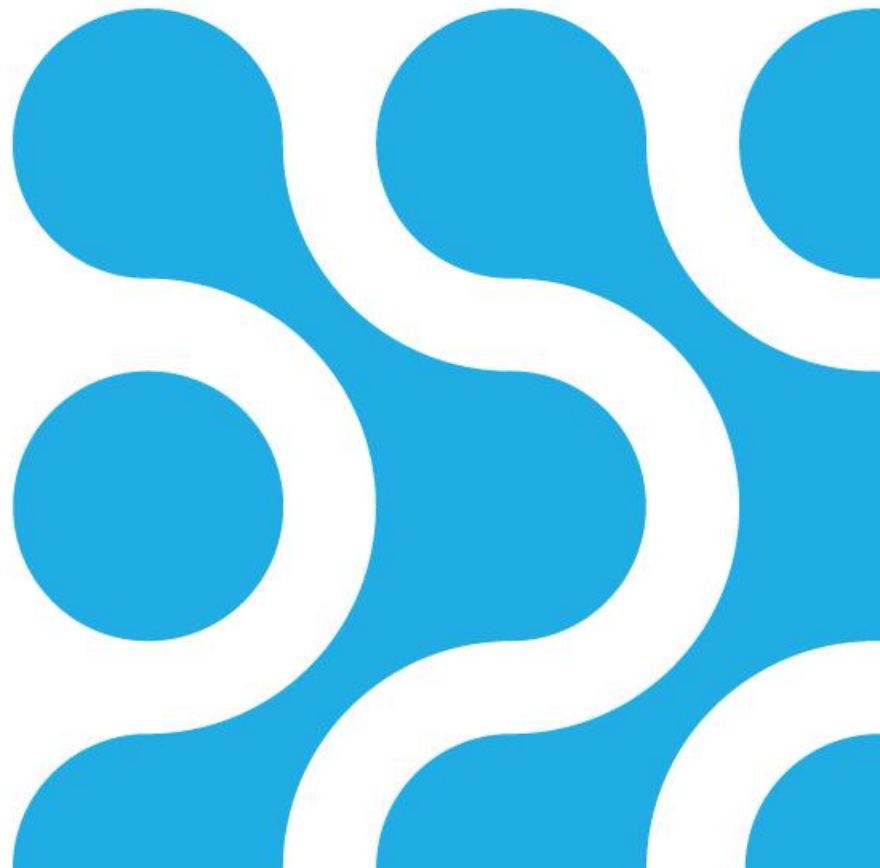
# Business Operation Adjustments Due to COVID-19 Survey

Survey Dates: Jul 26 – Aug 2, 2021

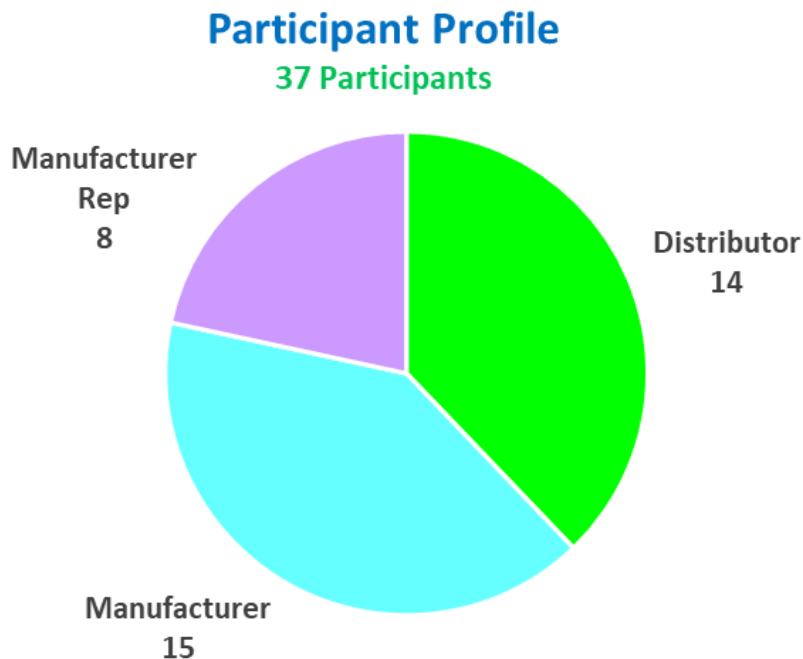
Dale Ford – Chief Analyst  
August 6, 2021



Electronic Components Industry Association

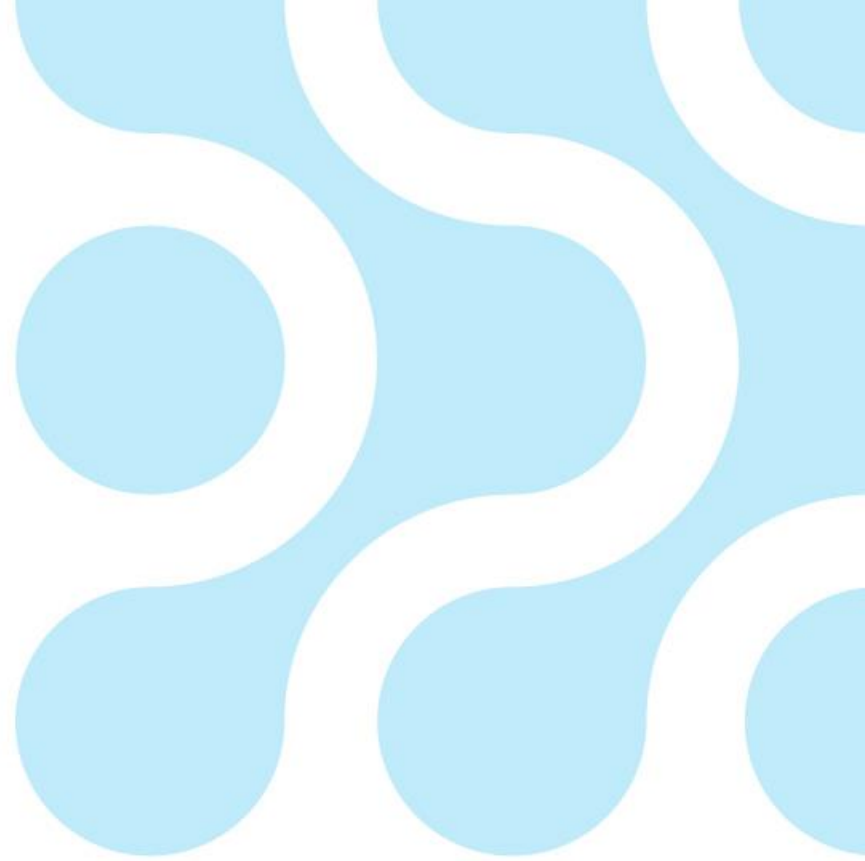


# Overall Survey Participation

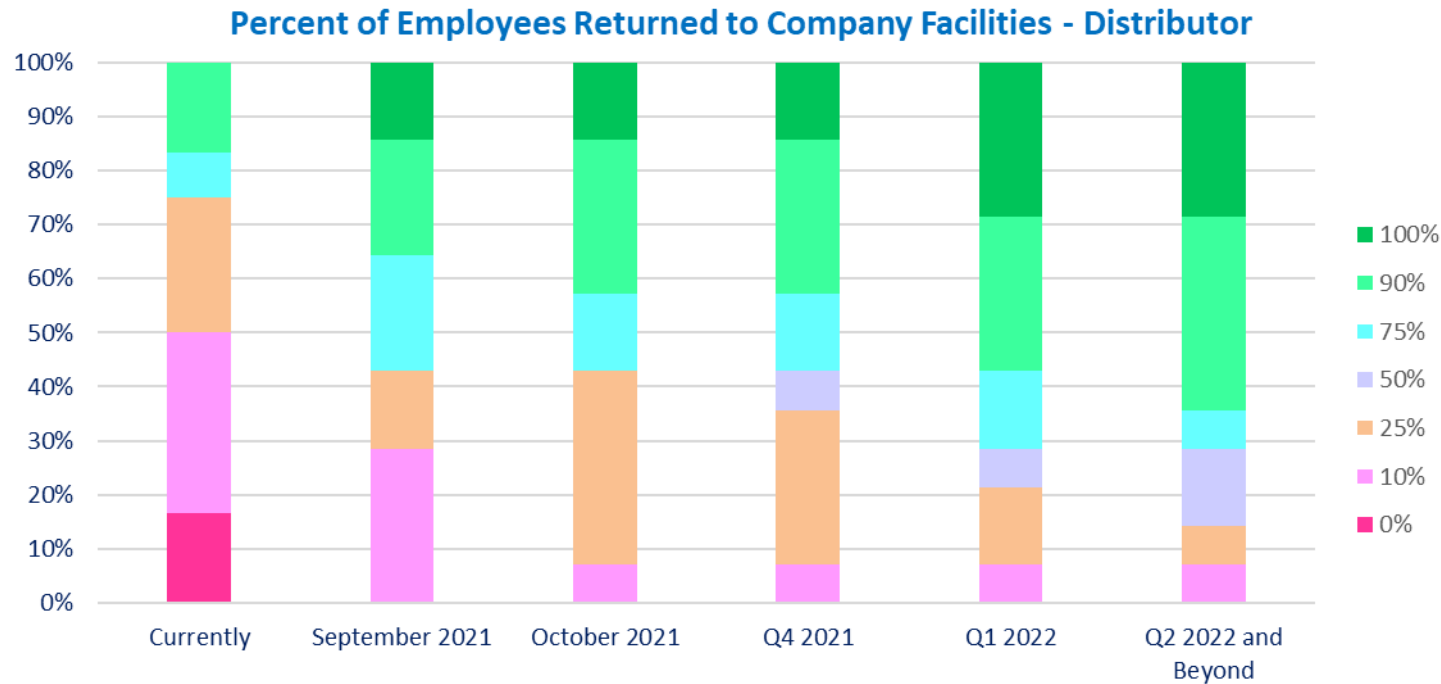


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# Office Return

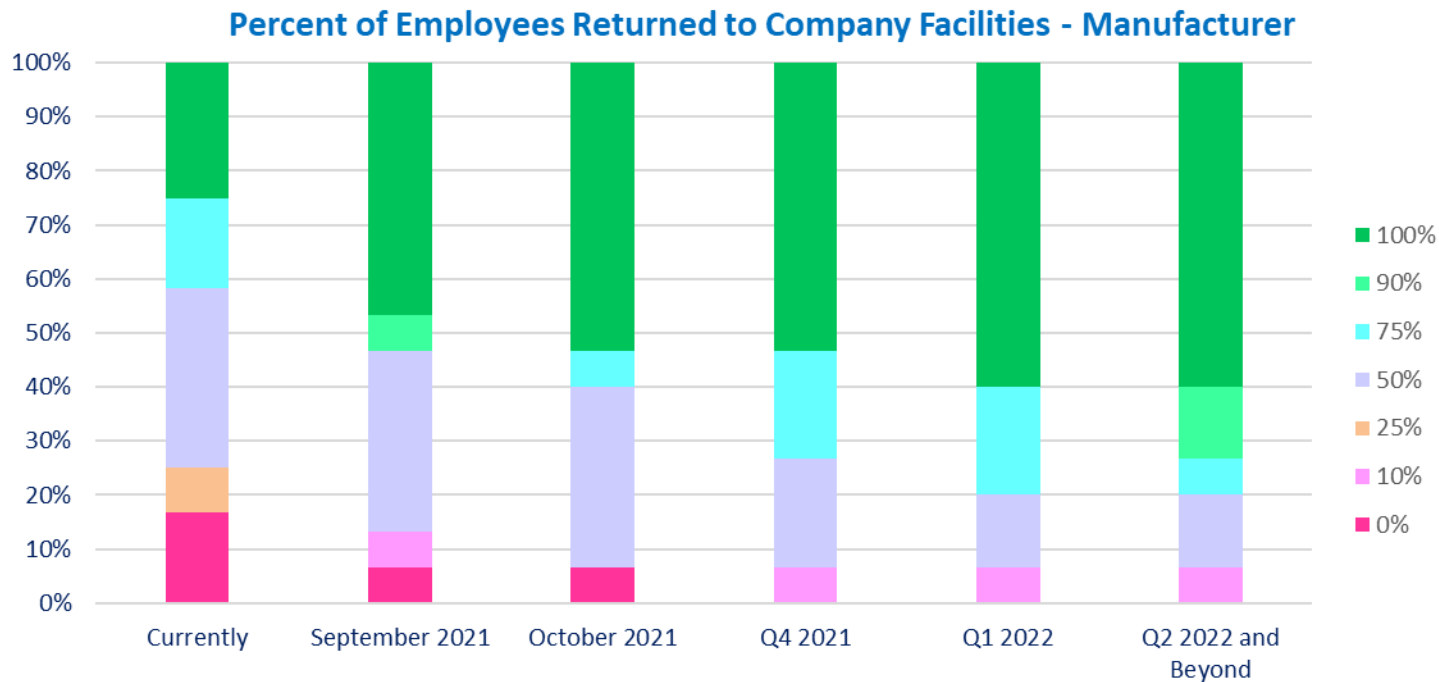


# Expected Timeline for Employee Return



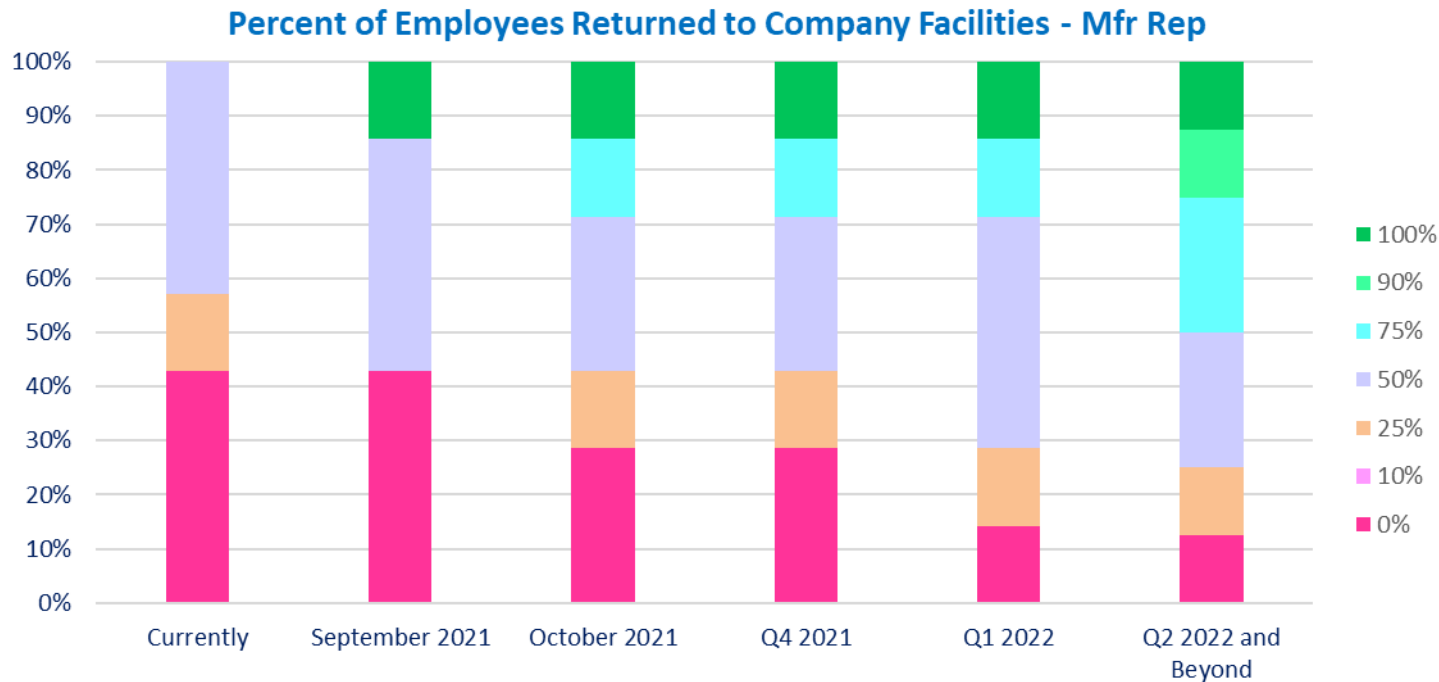
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# Expected Timeline for Employee Return



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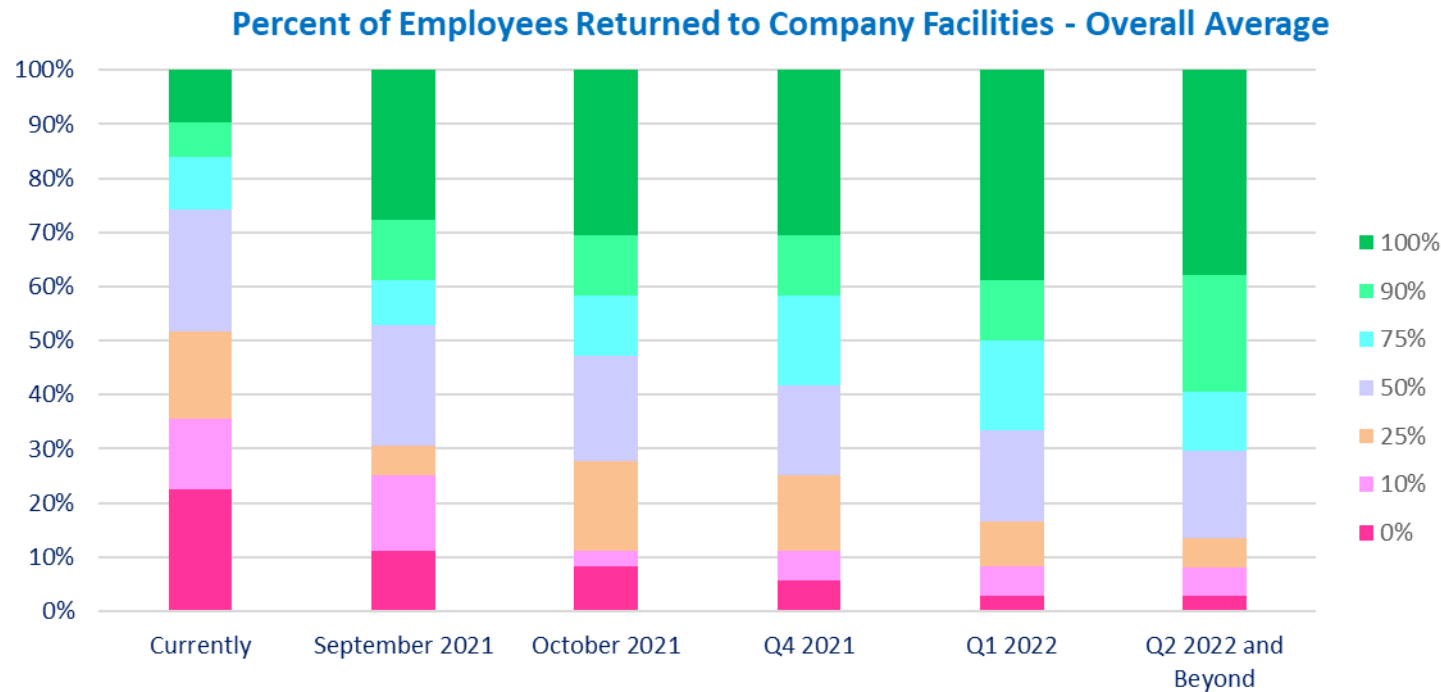
# Expected Timeline for Employee Return



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# Expected Timeline for Employee Return



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# Expected Timeline for Employee Return

Percentage of employees are expected to return to the office

	Currently	September 2021	October 2021	Q4 2021	Q1 2022	Q2 2022 and Beyond
<b><u>Distributor</u></b>						
0%	16.7%	0.0%	0.0%	0.0%	0.0%	0.0%
10%	33.3%	28.6%	7.1%	7.1%	7.1%	7.1%
25%	25.0%	14.3%	35.7%	28.6%	14.3%	7.1%
50%	0.0%	0.0%	0.0%	7.1%	7.1%	14.3%
75%	8.3%	21.4%	14.3%	14.3%	14.3%	7.1%
90%	16.7%	21.4%	28.6%	28.6%	28.6%	35.7%
100%	0.0%	14.3%	14.3%	14.3%	28.6%	28.6%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

## **Manufacturer**

0%	16.7%	6.7%	6.7%	0.0%	0.0%	0.0%
10%	0.0%	6.7%	0.0%	6.7%	6.7%	6.7%
25%	8.3%	0.0%	0.0%	0.0%	0.0%	0.0%
50%	33.3%	33.3%	33.3%	20.0%	13.3%	13.3%
75%	16.7%	0.0%	6.7%	20.0%	20.0%	6.7%
90%	0.0%	6.7%	0.0%	0.0%	0.0%	13.3%
100%	25.0%	46.7%	53.3%	53.3%	60.0%	60.0%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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# Expected Timeline for Employee Return

Percentage of employees are expected to return to the office

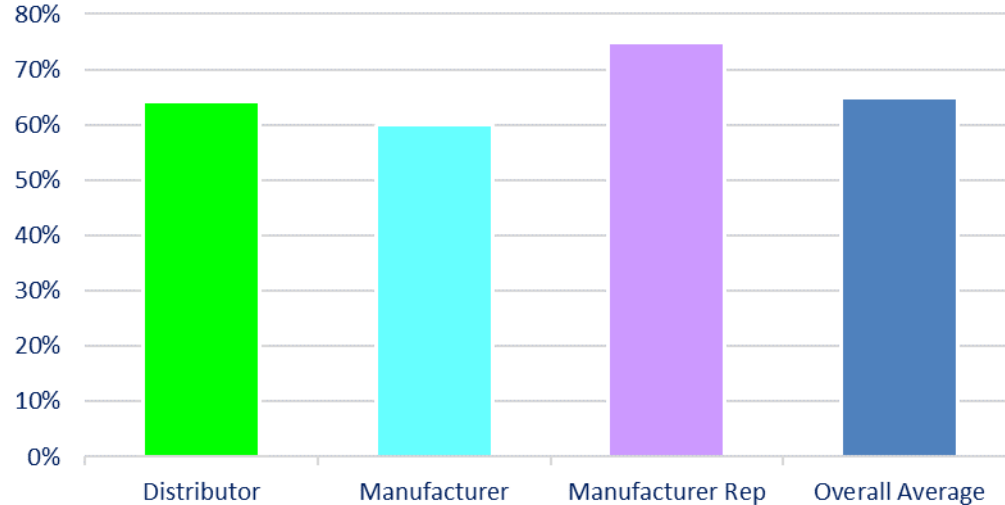
	Currently	September 2021	October 2021	Q4 2021	Q1 2022	Q2 2022 and Beyond
<b><u>Manufacturer Rep</u></b>						
0%	42.9%	42.9%	28.6%	28.6%	14.3%	12.5%
10%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
25%	14.3%	0.0%	14.3%	14.3%	14.3%	12.5%
50%	42.9%	42.9%	28.6%	28.6%	42.9%	25.0%
75%	0.0%	0.0%	14.3%	14.3%	14.3%	25.0%
90%	0.0%	0.0%	0.0%	0.0%	0.0%	12.5%
100%	0.0%	14.3%	14.3%	14.3%	14.3%	12.5%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b><u>Overall Average</u></b>						
0%	22.6%	11.1%	8.3%	5.6%	2.8%	2.7%
10%	12.9%	13.9%	2.8%	5.6%	5.6%	5.4%
25%	16.1%	5.6%	16.7%	13.9%	8.3%	5.4%
50%	22.6%	22.2%	19.4%	16.7%	16.7%	16.2%
75%	9.7%	8.3%	11.1%	16.7%	16.7%	10.8%
90%	6.5%	11.1%	11.1%	11.1%	11.1%	21.6%
100%	9.7%	27.8%	30.6%	30.6%	38.9%	37.8%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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# Exception Allowed for Employee Office Return

Allow Exception for Employees Who Do Not Want to Return to the Office



	YES
Distributor	64.3%
Manufacturer	60.0%
Manufacturer Rep	75.0%
Overall Average	64.9%

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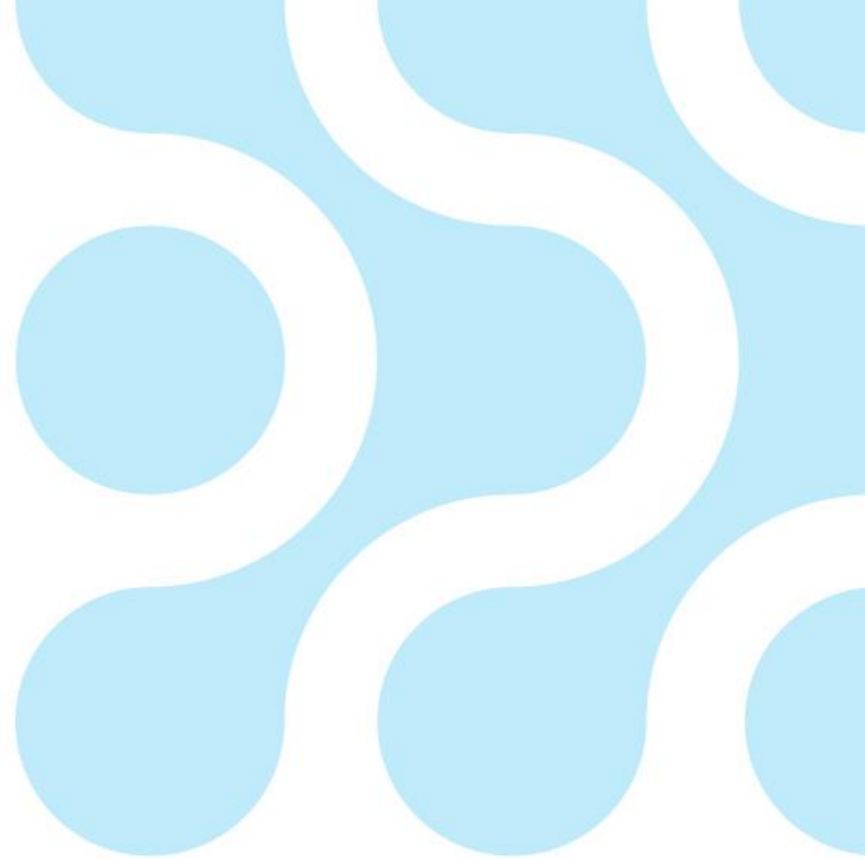
# Exception Allowed for Employee Office Return

- 1 Medical exceptions
- 2 Medical exemption
- 3 Documented medical condition
- 4 Health
- 5 Health related concerns? Does their job require they be in an office?
- 6 Health and retention of employee if forced to come back
- 7 Family and health issues
- 8 If they have small Children at Home.
- 9 Personal Choice
- 10 Personal choice, our company has not mandated a return to office at the corporate level. Return is still considered optional
- 11 Their choice, we support remote working going forward. We expect our remote workers will be in the office at times for department and company wide requirements.
- 12 Non-vaccinated due to personal choice
- 13 In our company, everyone can choose whether they continue working from home or the office.

# Exception Allowed for Employee Office Return

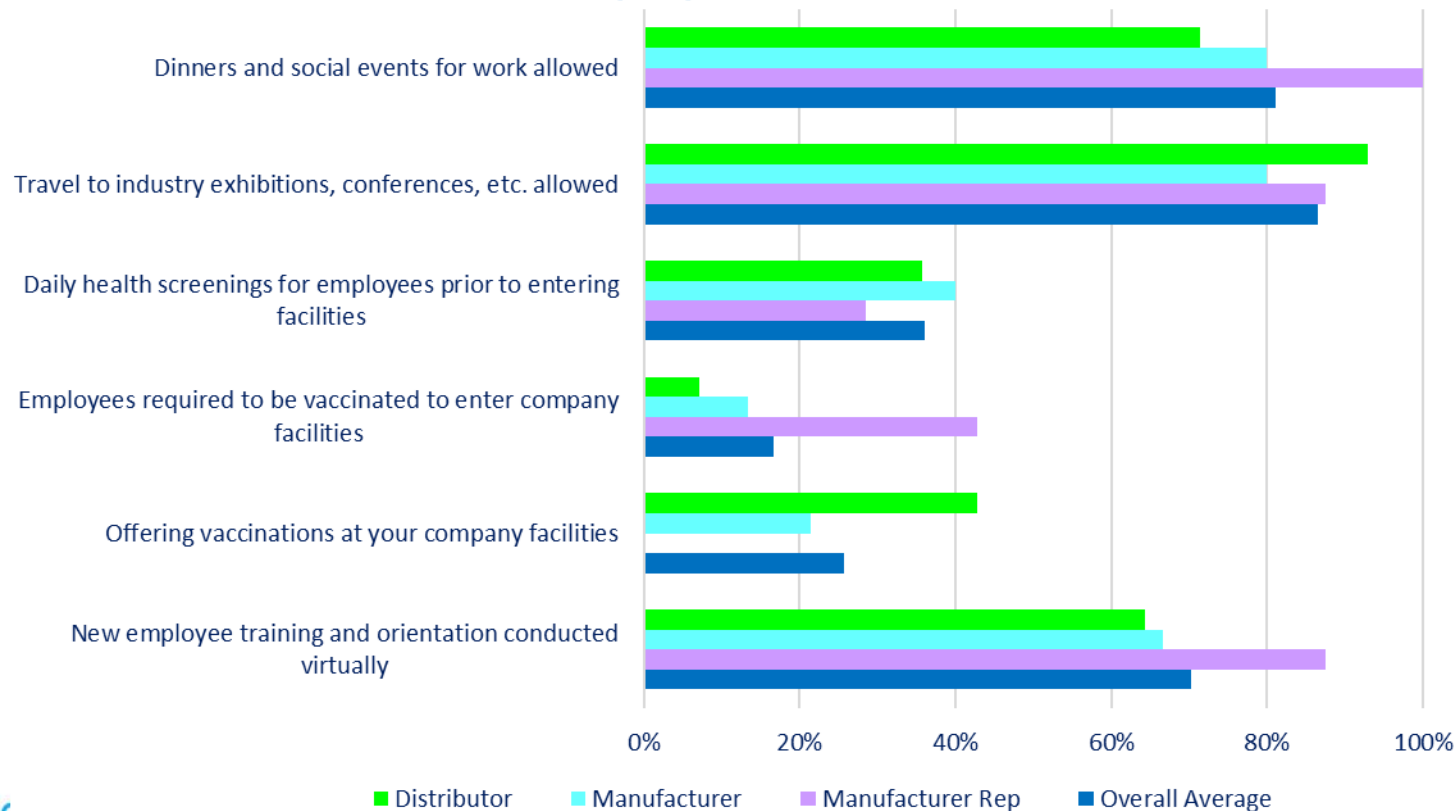
- 14 High-performance employees
- 15 Valuable employee refuses
- 16 Essential employees vs non-essential
- 17 If the work is well defined and measurable
- 18 We will allow for those who can to work at home no more than 2 days per week when we return to full capacity
- 19 Each department is adopting a hybrid work where it is feasible. 1-2 days remote is the average for those employees that can work remote.
- 20 Case by case
- 21 On a case by case basis
- 22 Flexibility allowed, but expectation is 100% return
- 23 Assumed yes but do not know for sure

# Policies and Practices



# Company Policies and Practices

## Current Company Policies and Practices



# Company Policies and Practices

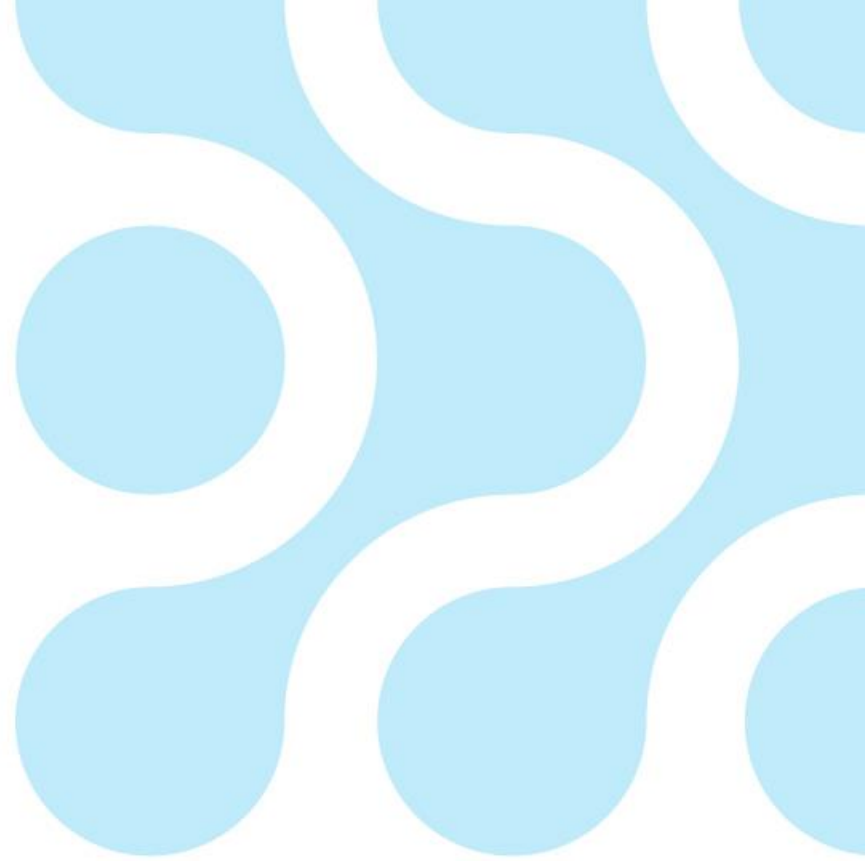
## Current status of these rules/activities at your company

	Dinners and social events for work allowed	Travel to industry exhibitions, conferences, etc. allowed	Daily health screenings for employees prior to entering facilities	Employees required to be vaccinated to enter company facilities	Offering vaccinations at your company facilities	New employee training and orientation conducted virtually
Distributor	71.4%	92.9%	35.7%	7.1%	42.9%	64.3%
Manufacturer	80.0%	80.0%	40.0%	13.3%	21.4%	66.7%
Manufacturer Rep	100.0%	87.5%	28.6%	42.9%	0.0%	87.5%
Overall Average	81.1%	86.5%	36.1%	16.7%	25.7%	70.3%

- 1 Mask required if not vaccinated. Visitors need negative Covid test if not vaccinated to enter building.
- 2 Note - policies are developing and evolving
- 3 Sign waiver to say vaccinated, otherwise wear mask
- 4 We are training in person at office

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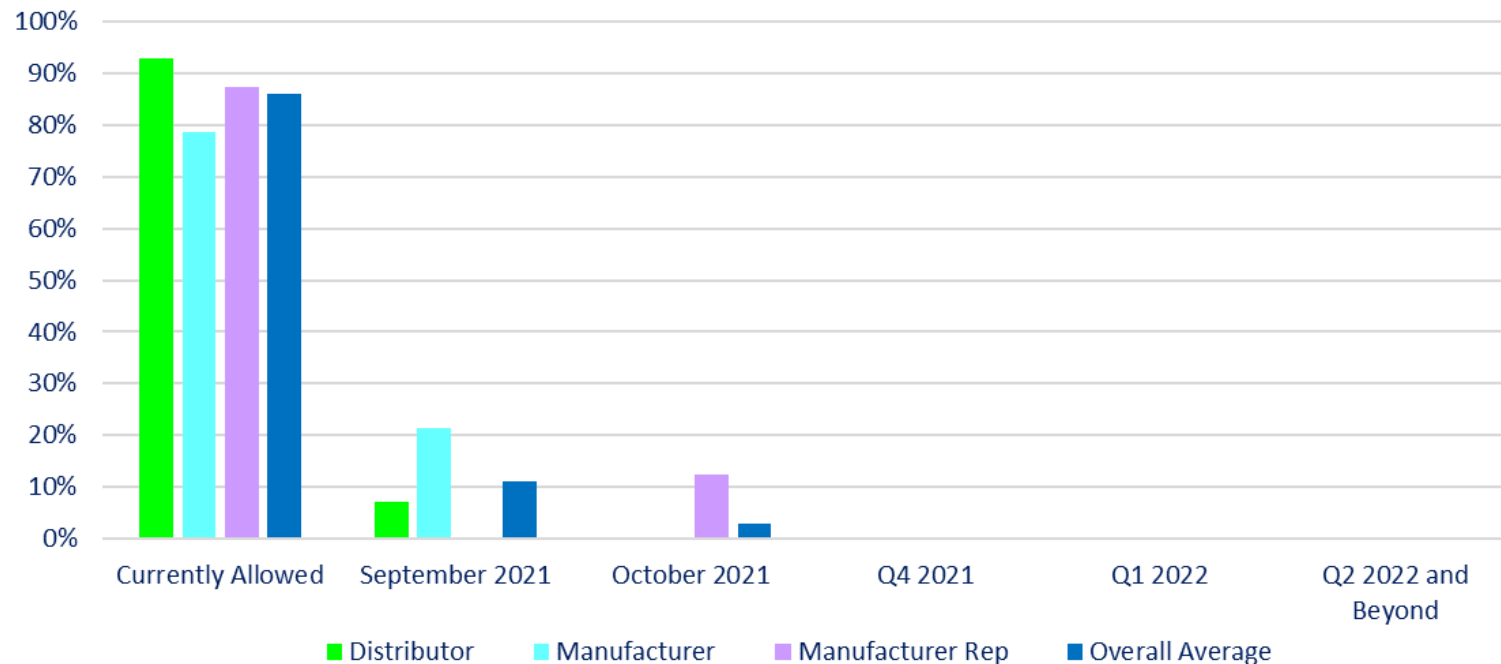
# Air Travel





# Resumption of Air Travel

## Resume Domestic Air Travel

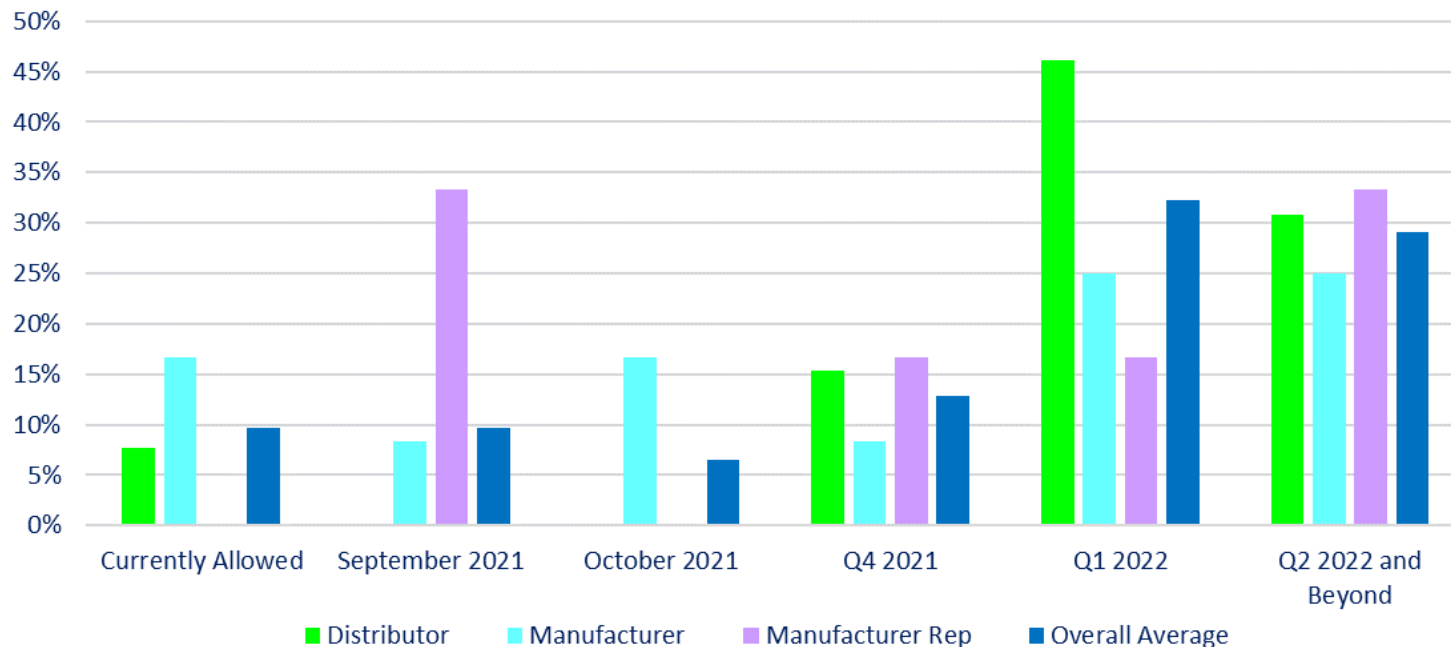


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# Resumption of Air Travel

## Resume International Air Travel



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# Resumption of Air Travel

When do you expect employees will be allowed to resume travel?

<u>DOMESTIC</u>	Currently Allowed	September 2021	October 2021	Q4 2021	Q1 2022	Q2 2022 and Beyond	TOTAL
Distributor	92.9%	7.1%	0.0%	0.0%	0.0%	0.0%	100.0%
Manufacturer	78.6%	21.4%	0.0%	0.0%	0.0%	0.0%	100.0%
Manufacturer Rep	87.5%	0.0%	12.5%	0.0%	0.0%	0.0%	100.0%
Overall Average	86.1%	11.1%	2.8%	0.0%	0.0%	0.0%	100.0%

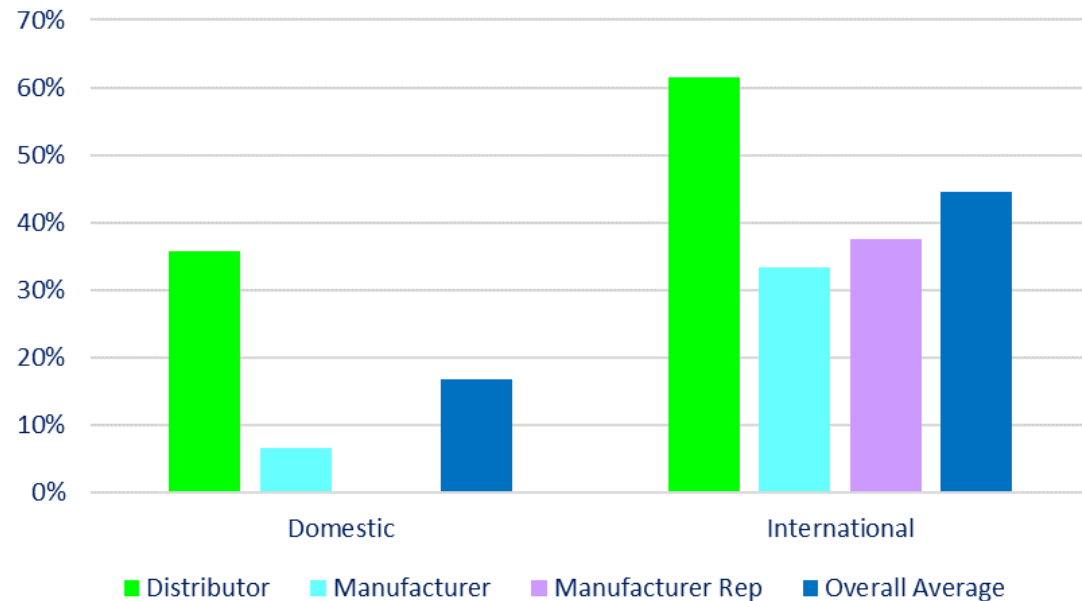
  

<u>INTERNATIONAL</u>	Currently Allowed	September 2021	October 2021	Q4 2021	Q1 2022	Q2 2022 and Beyond	TOTAL
Distributor	7.7%	0.0%	0.0%	15.4%	46.2%	30.8%	100.0%
Manufacturer	16.7%	8.3%	16.7%	8.3%	25.0%	25.0%	100.0%
Manufacturer Rep	0.0%	33.3%	0.0%	16.7%	16.7%	33.3%	100.0%
Overall Average	9.7%	9.7%	6.5%	12.9%	32.3%	29.0%	100.0%

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# Air Travel Restrictions

## Company Restrictions/Limitations/Requirements on Travel



	Domestic	International
Distributor	35.7%	61.5%
Manufacturer	6.7%	33.3%
Manufacturer Rep	0.0%	37.5%
Overall Average	16.7%	44.4%

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# Air Travel Restrictions

## Company restrictions/limitations/requirements for air travel

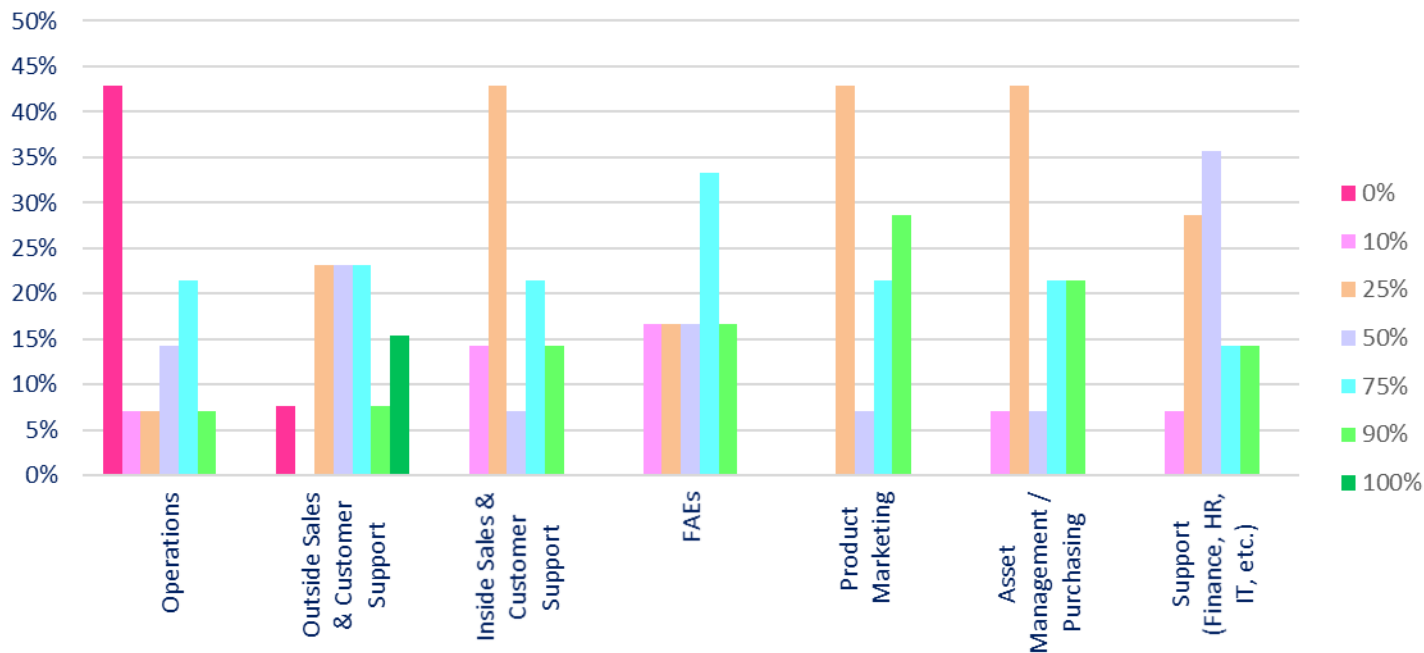
- 1 CEO Approval
- 2 Requires upper management approval
- 3 Follow government guidelines, management approval
- 4 No international travel, VP approval for domestic travel. EDS will be the first significant business travel
- 5 We are not traveling internationally at the moment. Only the most urgent cases would be brought up for approval to travel overseas
- 6 International travel must be approved by senior management
- 7 No international travel
- 8 No international travel until further notice
- 9 No Intl travel for the balance of 2021
- 10 No real international travel being done
- 11 Have to be vaccinated to travel to customer/supplier. No international travel.
- 12 No "milk route" sales manager travel, clear purpose & need

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# Remote Work Allowance

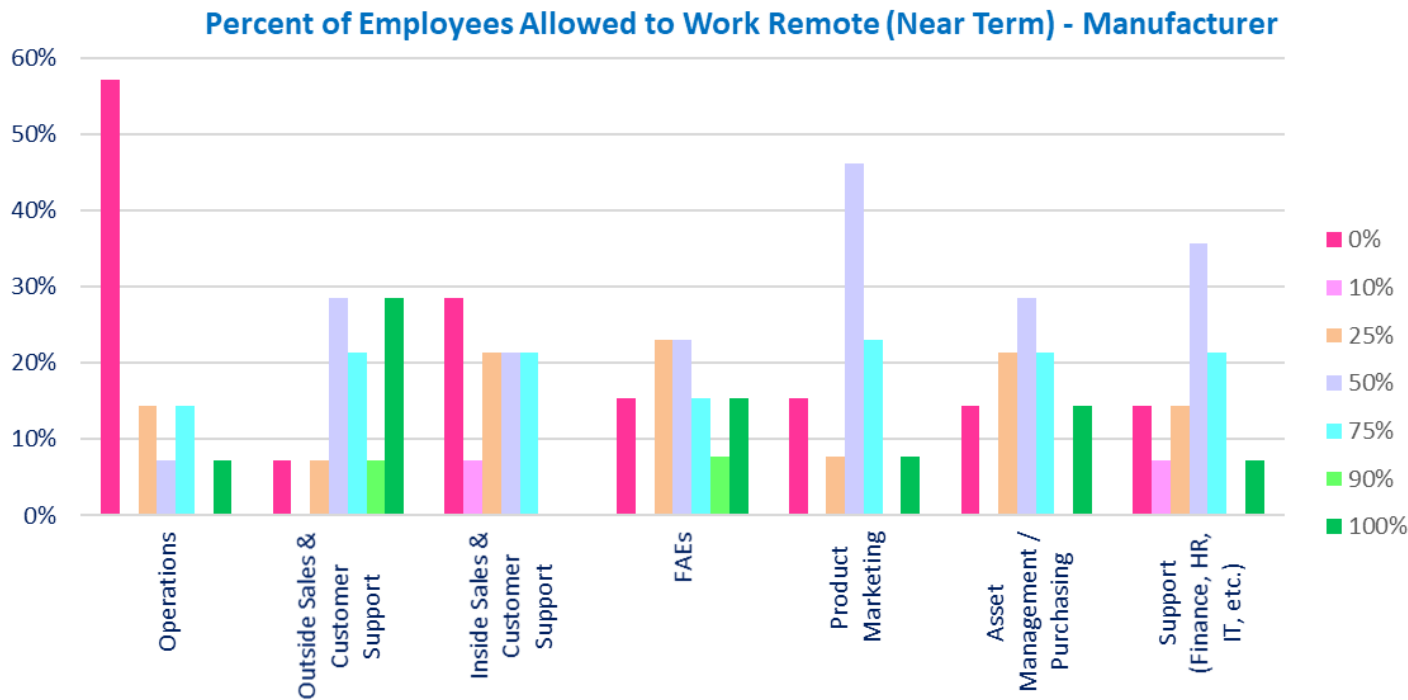
# Work from Home / Remote Work Allowance - Distributor (Near Term)

Percent of Employees Allowed to Work Remote (Near Term) - Distributor



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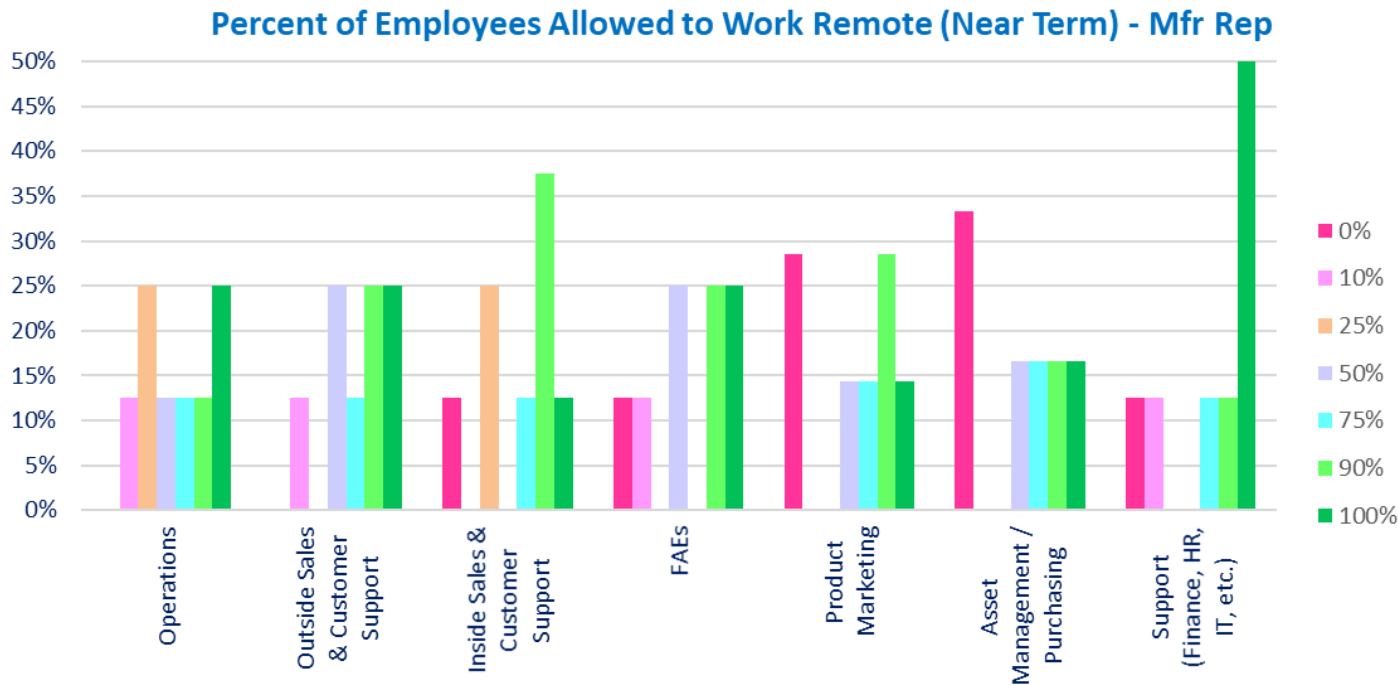
# Work from Home / Remote Work Allowance - Manufacturer (Near Term)



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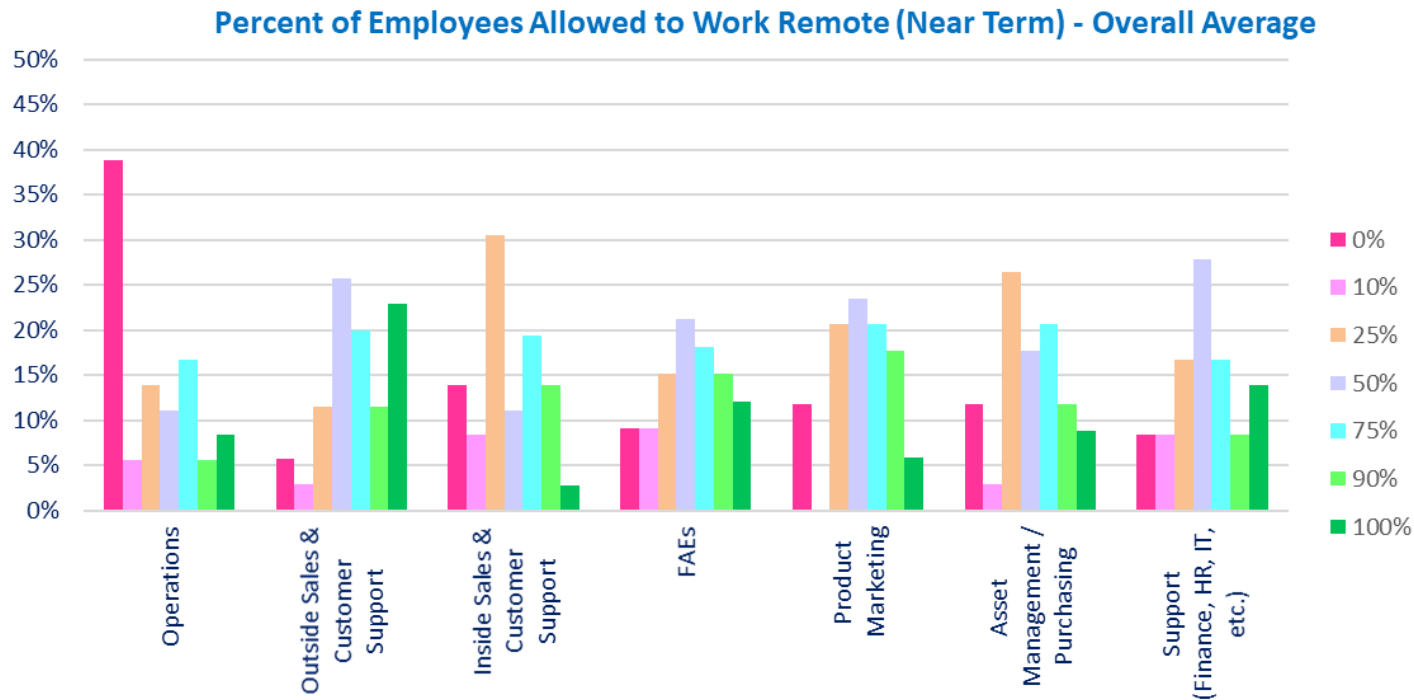


# Work from Home / Remote Work Allowance – Mfr Rep (Near Term)



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# Work from Home / Remote Work Allowance - Overall (Near Term)



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# Work from Home / Remote Work Allowance - Overall

## (Near Term)

	Operations	Outside Sales & Customer Support	Inside Sales & Customer Support	FAEs	Product Marketing	Asset Management / Purchasing	Support (Finance, HR, IT, etc.)
<b><u>Distributor</u></b>							
0%	42.9%	7.7%	0.0%	0.0%	0.0%	0.0%	0.0%
10%	7.1%	0.0%	14.3%	16.7%	0.0%	7.1%	7.1%
25%	7.1%	23.1%	42.9%	16.7%	42.9%	42.9%	28.6%
50%	14.3%	23.1%	7.1%	16.7%	7.1%	7.1%	35.7%
75%	21.4%	23.1%	21.4%	33.3%	21.4%	21.4%	14.3%
90%	7.1%	7.7%	14.3%	16.7%	28.6%	21.4%	14.3%
100%	0.0%	15.4%	0.0%	0.0%	0.0%	0.0%	0.0%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

### **Manufacturer**

0%	57.1%	7.1%	28.6%	15.4%	15.4%	14.3%	14.3%
10%	0.0%	0.0%	7.1%	0.0%	0.0%	0.0%	7.1%
25%	14.3%	7.1%	21.4%	23.1%	7.7%	21.4%	14.3%
50%	7.1%	28.6%	21.4%	23.1%	46.2%	28.6%	35.7%
75%	14.3%	21.4%	21.4%	15.4%	23.1%	21.4%	21.4%
90%	0.0%	7.1%	0.0%	7.7%	0.0%	0.0%	0.0%
100%	7.1%	28.6%	0.0%	15.4%	7.7%	14.3%	7.1%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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# Work from Home / Remote Work Allowance - Overall

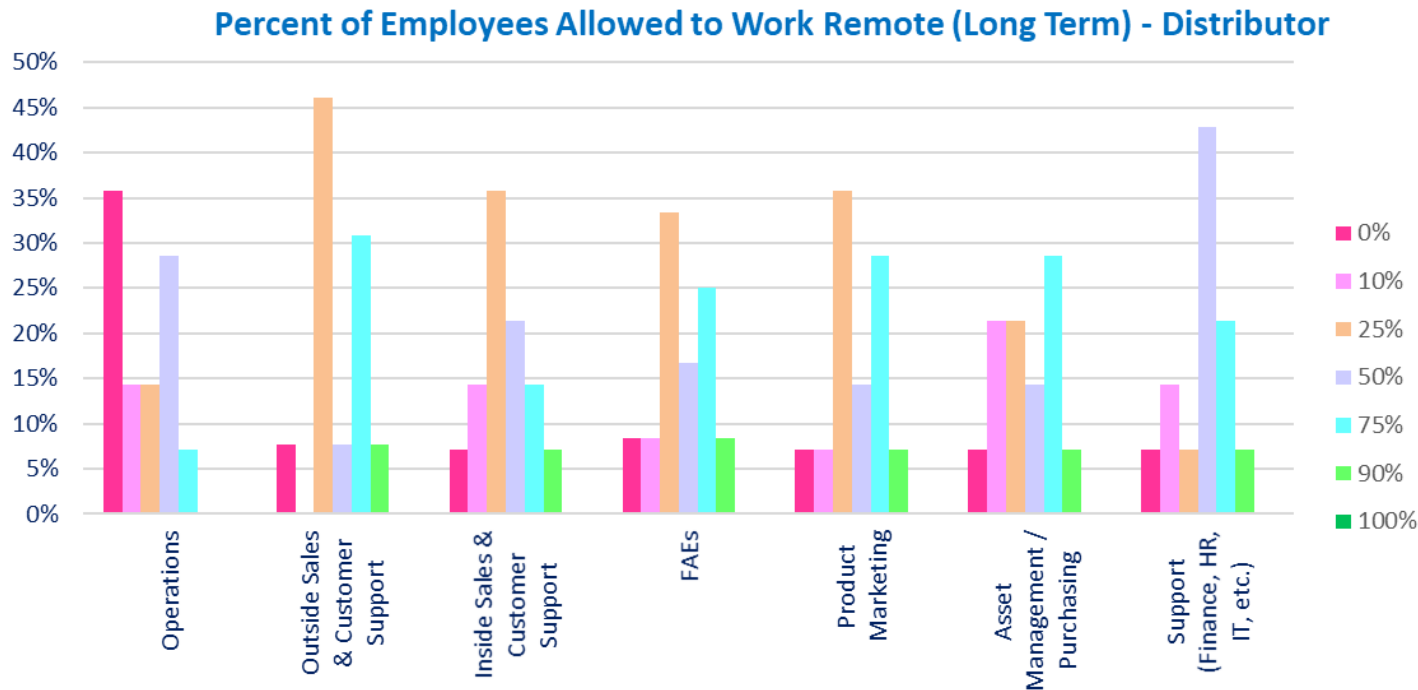
## (Near Term)

	Operations	Outside Sales & Customer Support	Inside Sales & Customer Support	FAEs	Product Marketing	Asset Management / Purchasing	Support (Finance, HR, IT, etc.)
<b><u>Manufacturer Rep</u></b>							
0%	0.0%	0.0%	12.5%	12.5%	28.6%	33.3%	12.5%
10%	12.5%	12.5%	0.0%	12.5%	0.0%	0.0%	12.5%
25%	25.0%	0.0%	25.0%	0.0%	0.0%	0.0%	0.0%
50%	12.5%	25.0%	0.0%	25.0%	14.3%	16.7%	0.0%
75%	12.5%	12.5%	12.5%	0.0%	14.3%	16.7%	12.5%
90%	12.5%	25.0%	37.5%	25.0%	28.6%	16.7%	12.5%
100%	25.0%	25.0%	12.5%	25.0%	14.3%	16.7%	50.0%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b><u>Overall Average</u></b>							
0%	38.9%	5.7%	13.9%	9.1%	11.8%	11.8%	8.3%
10%	5.6%	2.9%	8.3%	9.1%	0.0%	2.9%	8.3%
25%	13.9%	11.4%	30.6%	15.2%	20.6%	26.5%	16.7%
50%	11.1%	25.7%	11.1%	21.2%	23.5%	17.6%	27.8%
75%	16.7%	20.0%	19.4%	18.2%	20.6%	20.6%	16.7%
90%	5.6%	11.4%	13.9%	15.2%	17.6%	11.8%	8.3%
100%	8.3%	22.9%	2.8%	12.1%	5.9%	8.8%	13.9%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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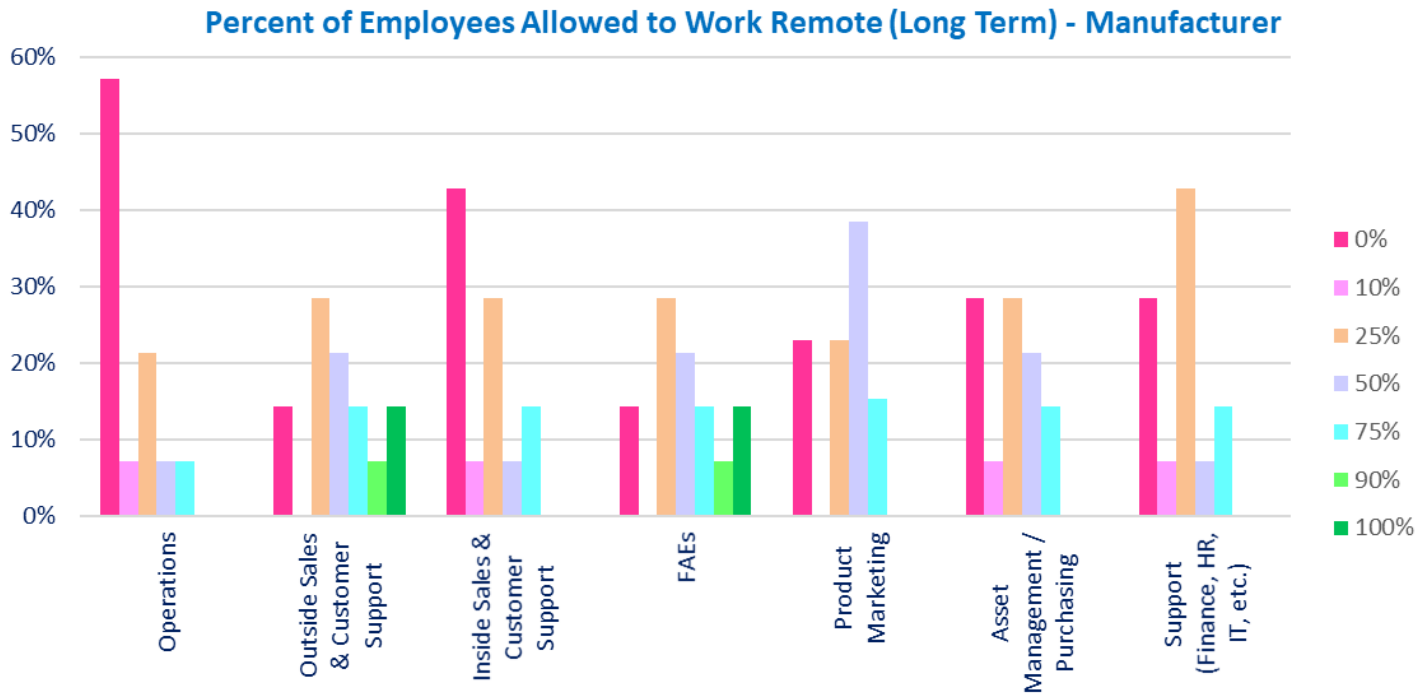


# Work from Home / Remote Work Allowance - Distributor (Long Term)



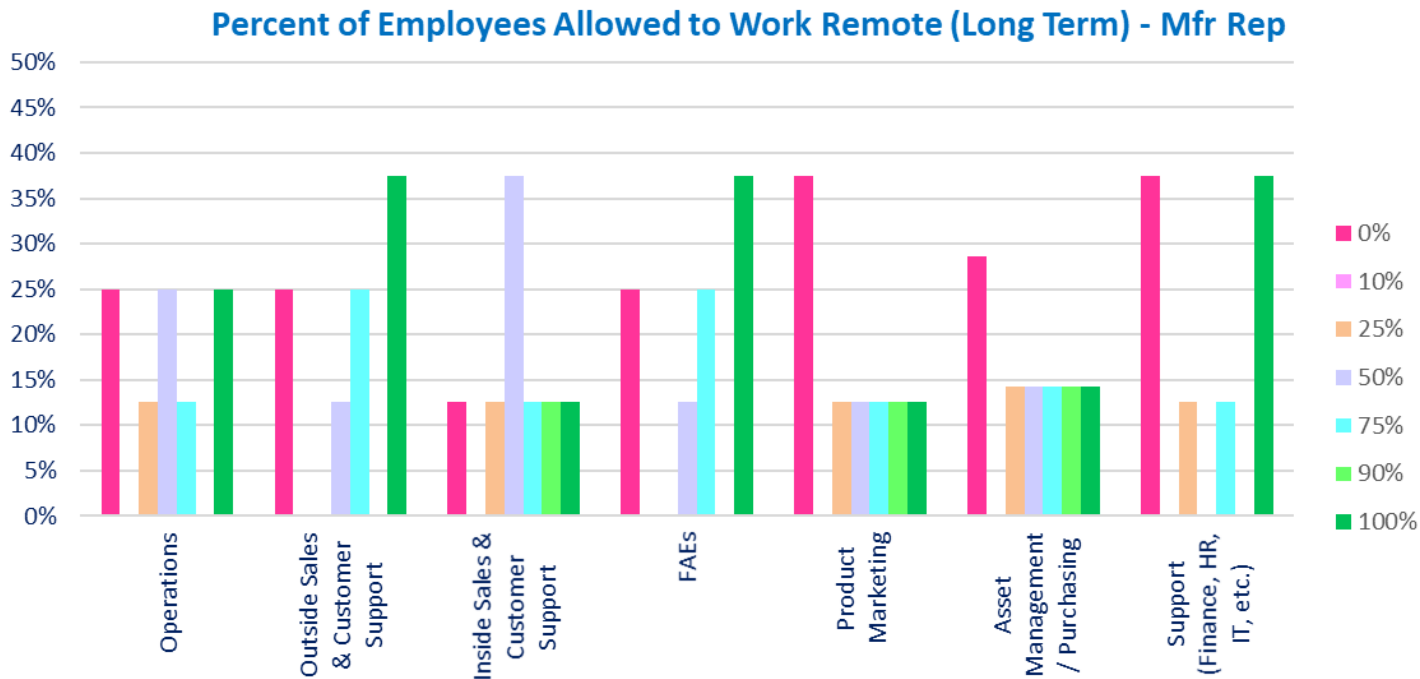
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# Work from Home / Remote Work Allowance - Manufacturer (Long Term)



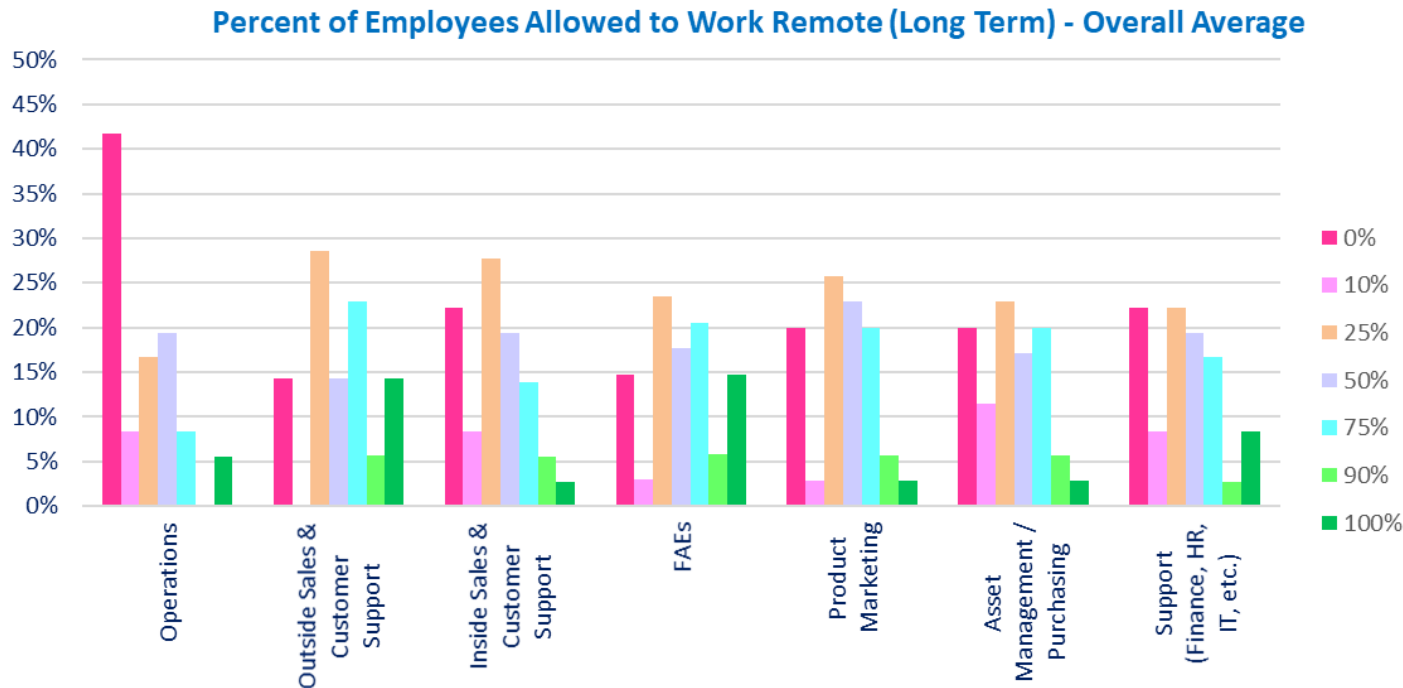
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# Work from Home / Remote Work Allowance – Mfr Rep (Long Term)



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# Work from Home / Remote Work Allowance - Overall (Long Term)



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# Work from Home / Remote Work Allowance - Overall

## (Long Term)

	Operations	Outside Sales & Customer Support	Inside Sales & Customer Support	FAEs	Product Marketing	Asset Management / Purchasing	Support (Finance, HR, IT, etc.)
<b><u>Distributor</u></b>							
0%	35.7%	7.7%	7.1%	8.3%	7.1%	7.1%	7.1%
10%	14.3%	0.0%	14.3%	8.3%	7.1%	21.4%	14.3%
25%	14.3%	46.2%	35.7%	33.3%	35.7%	21.4%	7.1%
50%	28.6%	7.7%	21.4%	16.7%	14.3%	14.3%	42.9%
75%	7.1%	30.8%	14.3%	25.0%	28.6%	28.6%	21.4%
90%	0.0%	7.7%	7.1%	8.3%	7.1%	7.1%	7.1%
100%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

<b><u>Manufacturer</u></b>							
0%	57.1%	14.3%	42.9%	14.3%	23.1%	28.6%	28.6%
10%	7.1%	0.0%	7.1%	0.0%	0.0%	7.1%	7.1%
25%	21.4%	28.6%	28.6%	28.6%	23.1%	28.6%	42.9%
50%	7.1%	21.4%	7.1%	21.4%	38.5%	21.4%	7.1%
75%	7.1%	14.3%	14.3%	14.3%	15.4%	14.3%	14.3%
90%	0.0%	7.1%	0.0%	7.1%	0.0%	0.0%	0.0%
100%	0.0%	14.3%	0.0%	14.3%	0.0%	0.0%	0.0%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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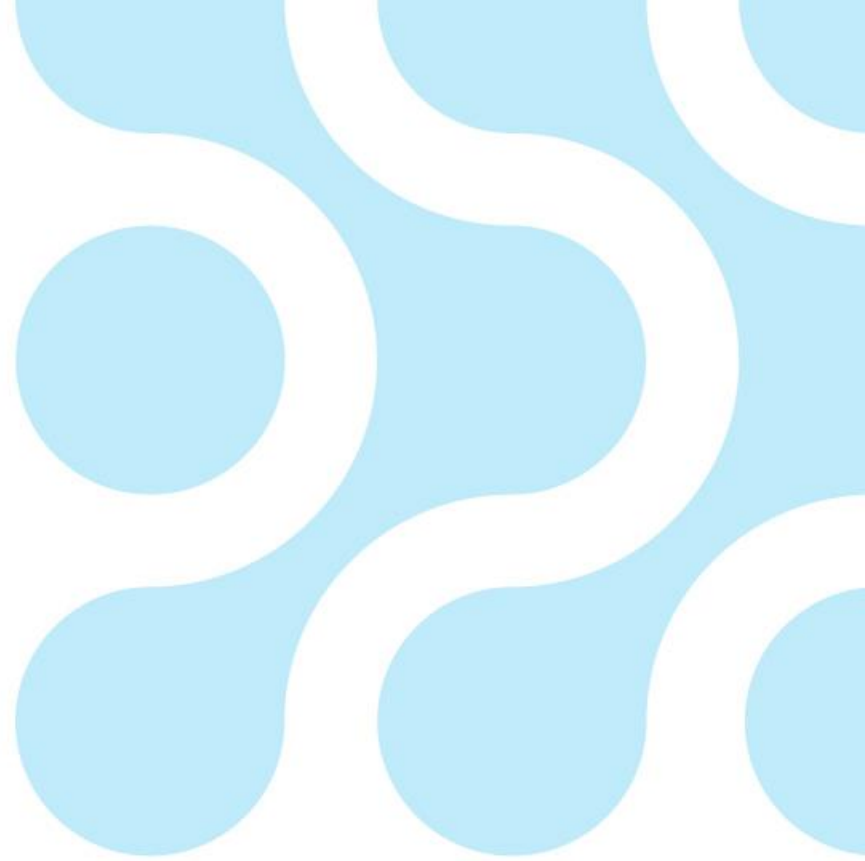
# Work from Home / Remote Work Allowance - Overall

## (Long Term)

	Operations	Outside Sales & Customer Support	Inside Sales & Customer Support	FAsEs	Product Marketing	Asset Management / Purchasing	Support (Finance, HR, IT, etc.)
<b><u>Manufacturer Rep</u></b>							
0%	25.0%	25.0%	12.5%	25.0%	37.5%	28.6%	37.5%
10%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
25%	12.5%	0.0%	12.5%	0.0%	12.5%	14.3%	12.5%
50%	25.0%	12.5%	37.5%	12.5%	12.5%	14.3%	0.0%
75%	12.5%	25.0%	12.5%	25.0%	12.5%	14.3%	12.5%
90%	0.0%	0.0%	12.5%	0.0%	12.5%	14.3%	0.0%
100%	25.0%	37.5%	12.5%	37.5%	12.5%	14.3%	37.5%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b><u>Overall Average</u></b>							
0%	41.7%	14.3%	22.2%	14.7%	20.0%	20.0%	22.2%
10%	8.3%	0.0%	8.3%	2.9%	2.9%	11.4%	8.3%
25%	16.7%	28.6%	27.8%	23.5%	25.7%	22.9%	22.2%
50%	19.4%	14.3%	19.4%	17.6%	22.9%	17.1%	19.4%
75%	8.3%	22.9%	13.9%	20.6%	20.0%	20.0%	16.7%
90%	0.0%	5.7%	5.6%	5.9%	5.7%	5.7%	2.8%
100%	5.6%	14.3%	2.8%	14.7%	2.9%	2.9%	8.3%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

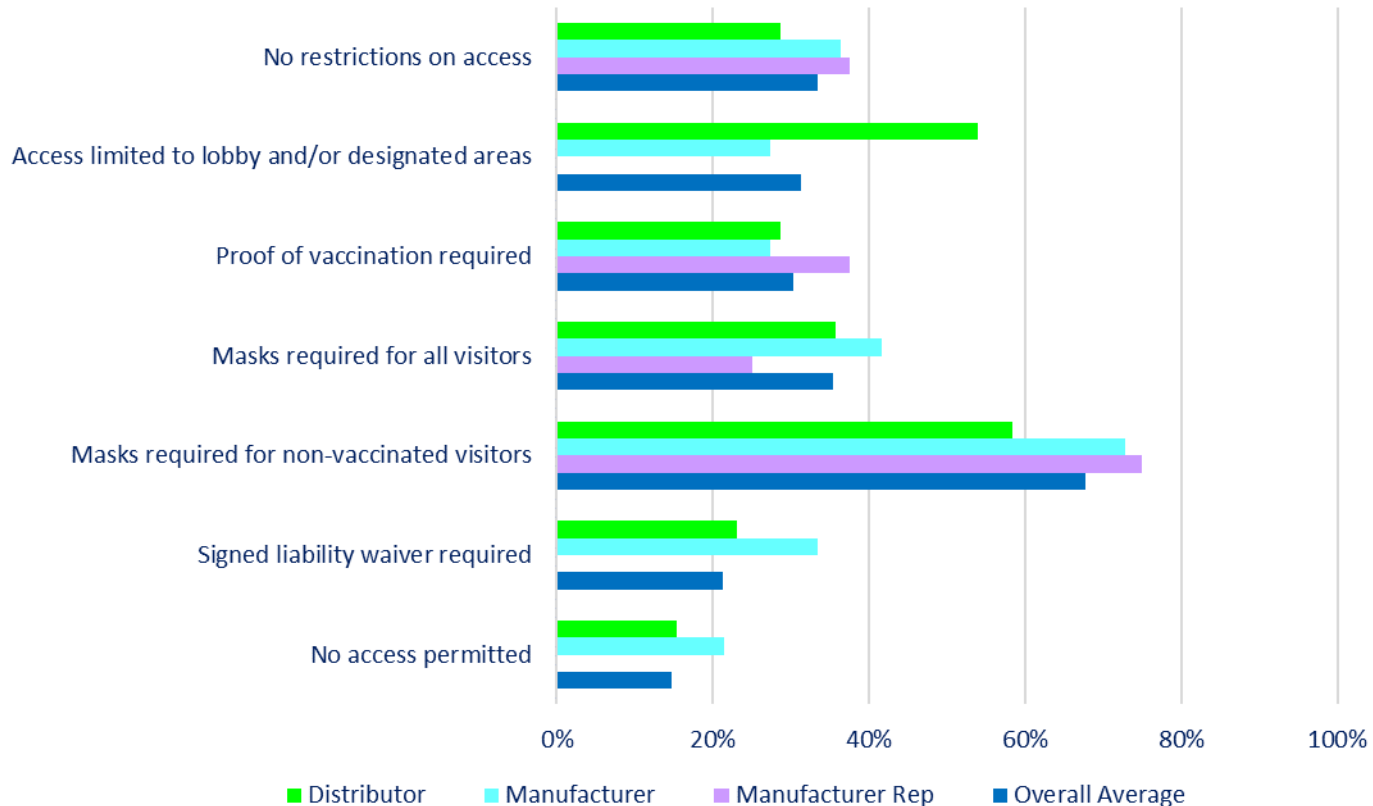
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# Office Visitor Rules



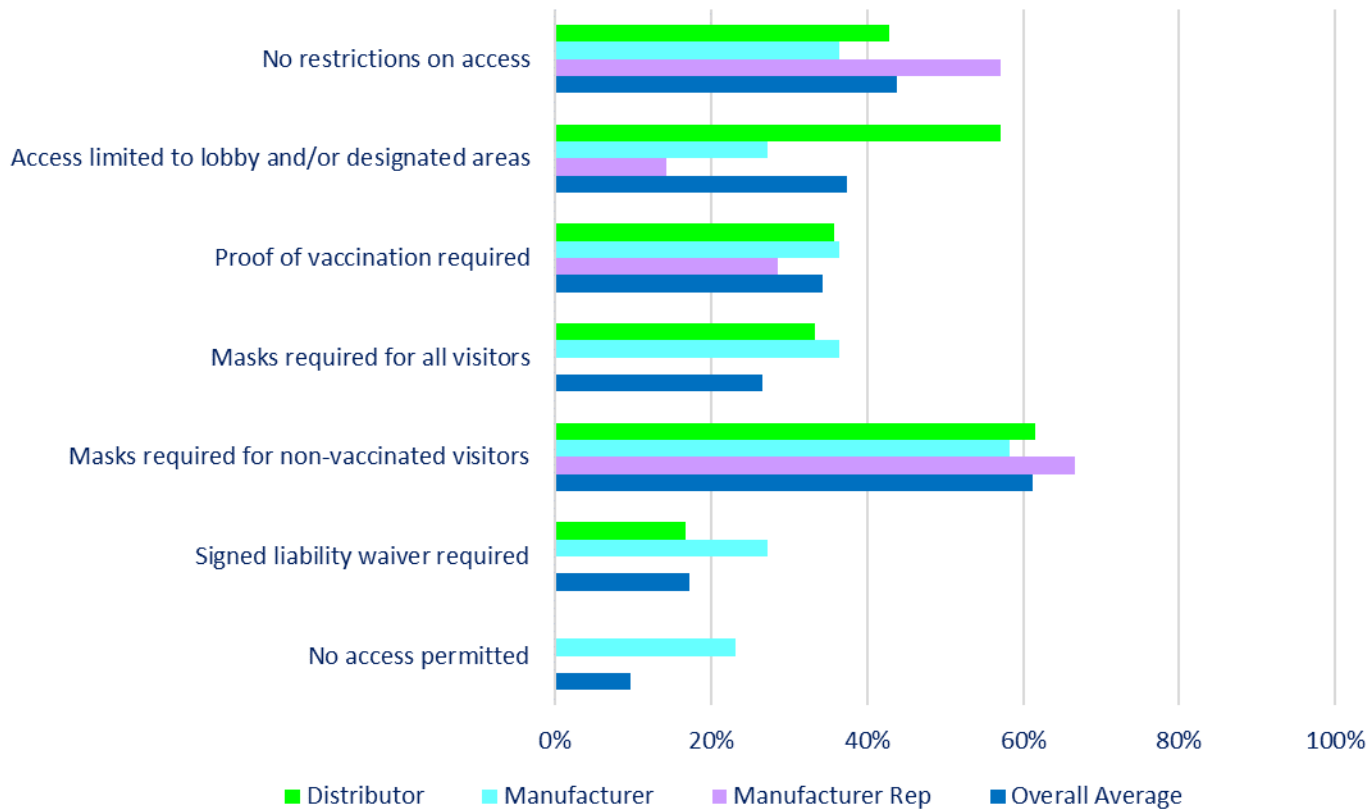
# Office Visitor Rules

## Visitor Rules for Corporate/HQ Facilities



# Office Visitor Rules

## Visitor Rules for Regional Facilities



# Office Visitor Rules

## VISITORS: Current rules regarding business guests/visitors to your CORPORATE HEADQUARTERS facilities?

	No restrictions on access	Access limited to lobby and/or designated areas	Proof of vaccination required	Masks required for all visitors	Masks required for non-vaccinated visitors	Signed liability waiver required	No access permitted
Distributor	28.6%	53.8%	28.6%	35.7%	58.3%	23.1%	15.4%
Manufacturer	36.4%	27.3%	27.3%	41.7%	72.7%	33.3%	21.4%
Manufacturer Rep	37.5%	0.0%	37.5%	25.0%	75.0%	0.0%	0.0%
Overall Average	33.3%	31.3%	30.3%	35.3%	67.7%	21.2%	14.7%

## VISITORS: Current rules regarding business guests/visitors to your REGIONAL facilities?

	No restrictions on access	Access limited to lobby and/or designated areas	Proof of vaccination required	Masks required for all visitors	Masks required for non-vaccinated visitors	Signed liability waiver required	No access permitted
Distributor	42.9%	57.1%	35.7%	33.3%	61.5%	16.7%	0.0%
Manufacturer	36.4%	27.3%	36.4%	36.4%	58.3%	27.3%	23.1%
Manufacturer Rep	57.1%	14.3%	28.6%	0.0%	66.7%	0.0%	0.0%
Overall Average	43.8%	37.5%	34.4%	26.7%	61.3%	17.2%	9.7%

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# Office Visitor Rules

**VISITORS:** What are your current rules regarding business guests/visitors to your CORPORATE HEADQUARTERS facilities?

Visitors are only permitted for a handful of reasons, generally visitors are not being encouraged to come to the facilities

Our corporate HQ is a shared facility with essential workforce in our PDC; thus our restrictions are still very tight

Only repair/service people allowed

Non-vaccinated visitors cannot enter buildings

Negative Covid test required for non-vaccinated visitors.

Temperature check on site if non vaccinated and health log

Liability waiver has always been in place prior to Covid.

HQ is in Japan, not enough people vaccinated on the whole

**VISITORS:** What are your current rules regarding business guests/visitors to your REGIONAL facilities?

Non-vaccinated visitors cannot enter buildings

Negative Covid test required for non-vaccinated visitors.

We require our own personnel that travel be vaccinated and then coordinate the requirement of our customer and/or supplier

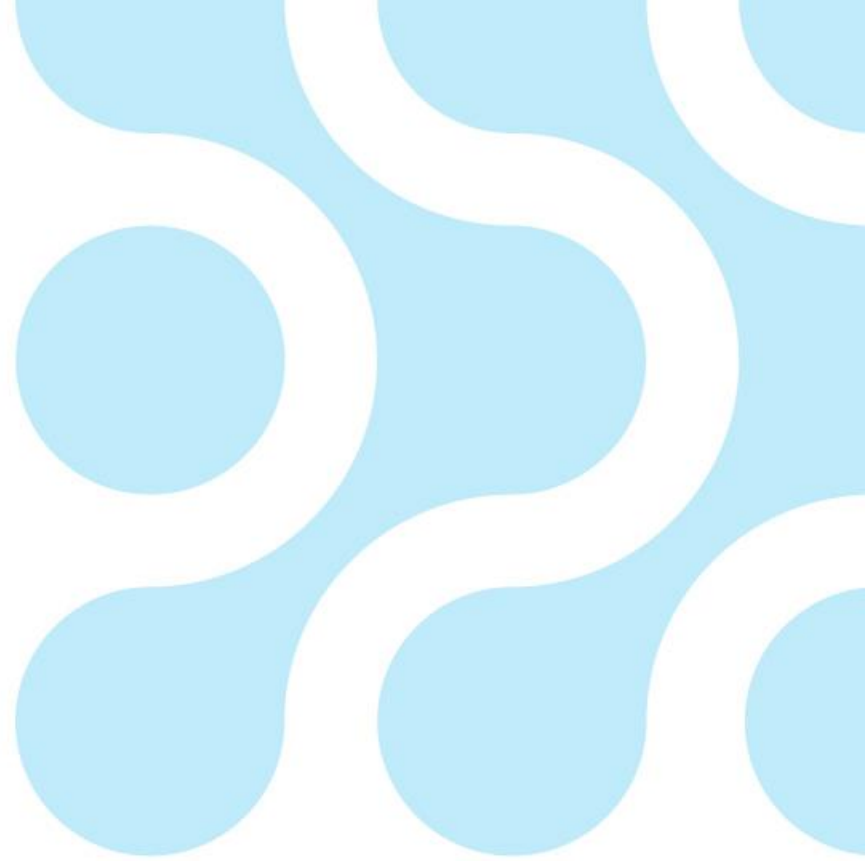
This is North America specific

We have 2 regional facilities with no other

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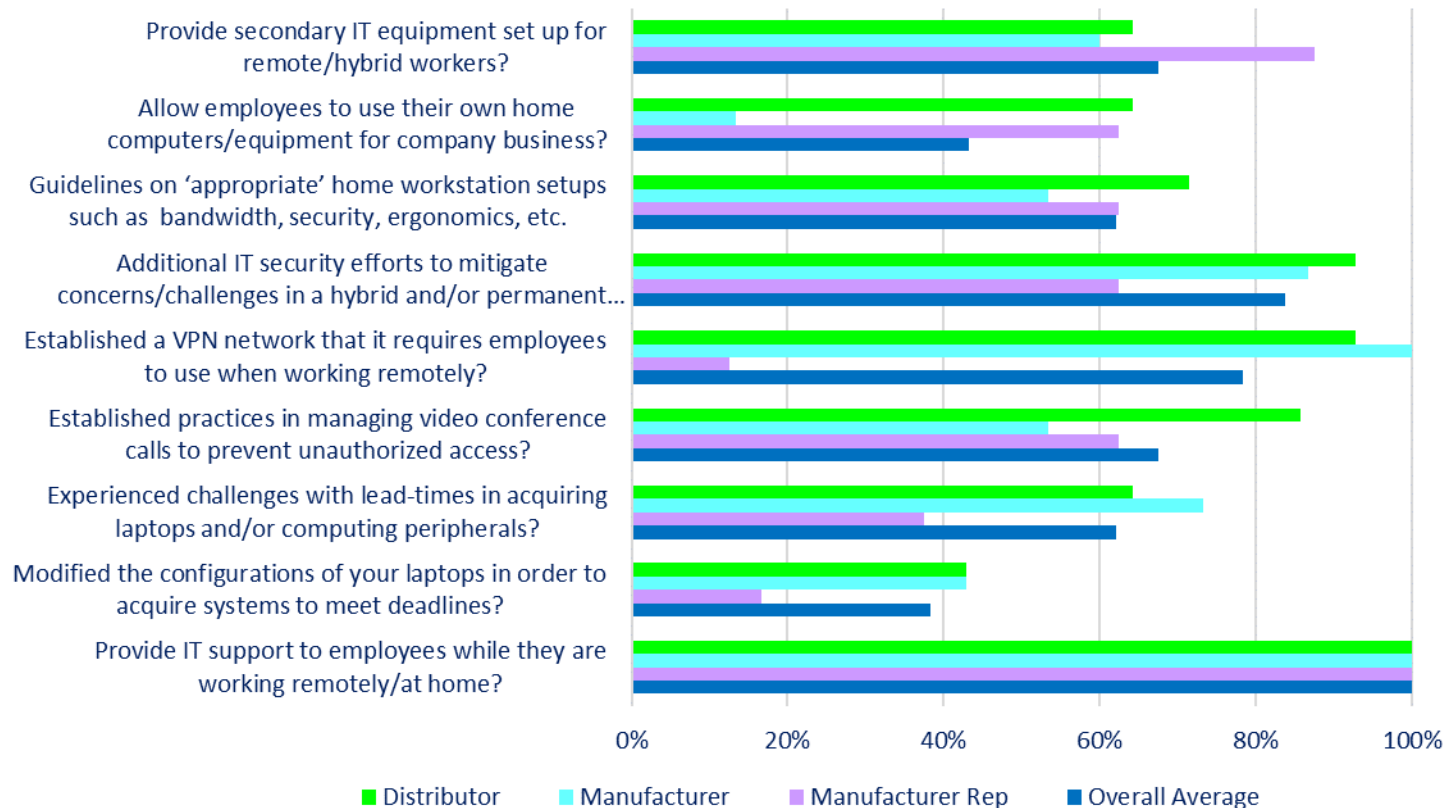
# IT Requirements / Practices





# IT Requirements and Practices

## IT Requirements/Practices



# IT Requirements and Practices

	Provide secondary IT equipment set up for remote/hybrid workers?	Allow employees to use their own home computers/equipment for company business?	Guidelines on 'appropriate' home workstation setups such as bandwidth, security, ergonomics, etc.	Additional IT security efforts to mitigate concerns/challenges in a hybrid and/or permanent remote work setup?	Established a VPN network that it requires employees to use when working remotely?	Established practices in managing video conference calls to prevent unauthorized access?	Experienced challenges with lead-times in acquiring laptops and/or computing peripherals?	Modified the configurations of your laptops in order to acquire systems to meet deadlines?	Provide IT support to employees while they are working remotely/at home?
Distributor	64.3%	64.3%	71.4%	92.9%	92.9%	85.7%	64.3%	42.9%	100.0%
Manufacturer	60.0%	13.3%	53.3%	86.7%	100.0%	53.3%	73.3%	42.9%	100.0%
Manufacturer Rep	87.5%	62.5%	62.5%	62.5%	12.5%	62.5%	37.5%	16.7%	100.0%
Overall Average	67.6%	43.2%	62.2%	83.8%	78.4%	67.6%	62.2%	38.2%	100.0%

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# IT Requirements and Practices

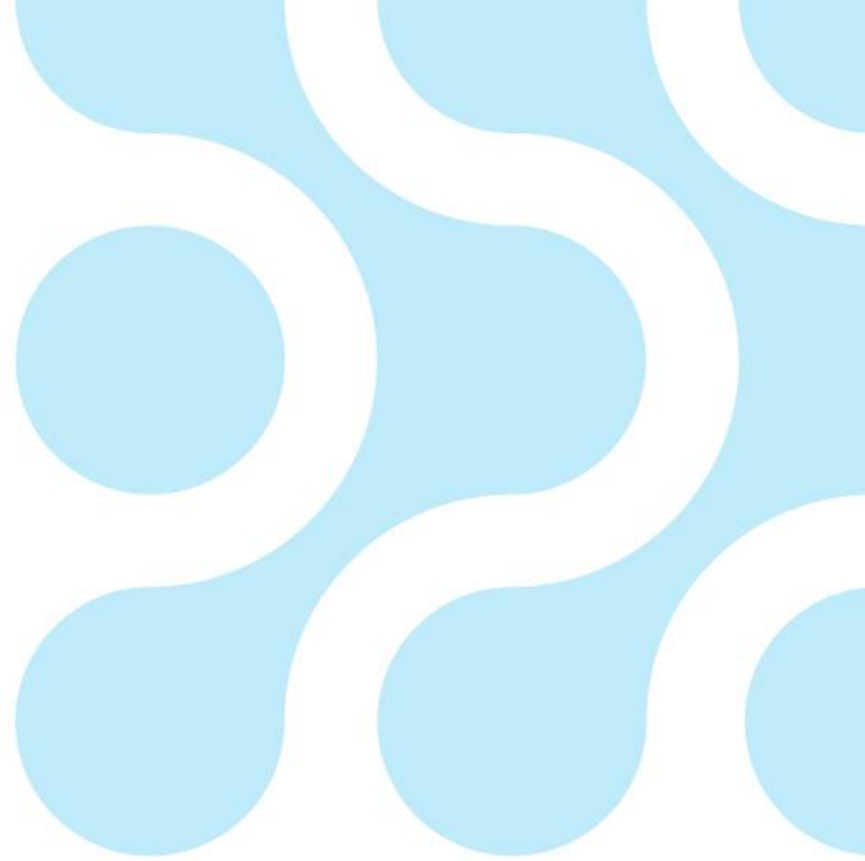
- 1 Cameras were real challenging at first.
- 2 Most applications are cloud based and security levels are set there
- 3 Our remote devices are really communication vehicles like Google Chrome or Cube
- 4 Recently just upgraded the VPN security sign on processes - constant monitoring and a robust "educational and informational" program alerting employees to possible security threats

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# Additional Input



# Additional Input

- 1 I believe we have swung the pendulum too far in setting the expectations that people will be able too liberally be able to work from home and we need to pull them in. I think this survey will help confirm that we are an outlier
- 2 Some questions like #2 depend on role...manufacturing and distribution functions are in person, all else is mostly WFH. Question #9 depends on location we are talking about...Japan has very low vaccination rates and that is our HQ whereas US situation is rather different
- 3 We are expected to announce a mandatory vaccination policy for all employees. We currently have very limited restrictions on travel or meetings. Many sales positions are remote prior to the pandemic. We are not expanding the amount of time people will work remotely as compared to pre-COVID times.

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