1. **Operational Risk**
    - New and inexperienced personnel added, and people getting "back into the swing of things" will cause issues.
    - There will continue to be sporadic disruptions in the supply chain and customer locations that open and then close. But we plan to see a steady return to 2/2020 levels and continue past that.
    - Covid cases are continuing to increase, causing me to run on less staff.
    - No real change.
    - I'm extremely small - and specialized as a business plan. As long as Covid gets under control, there are still enough Lehigh alumni alive to care about my Lehigh Wrestling newsletter.
    - Our current supply chain is not very extended. We just moved our manufacturing from New England to Mexico, and time will tell if we see any operational risks from that move.
    - Security breaches/data protection
    - Decrease based on the premise that with the increased administration of the vaccines, the COVID situation will improve.
    - Since operational risks are unexpected events. They are not predictable.
    - The weather is an unknown factor and getting worse.
    - Supply Chain disruptions during the global pandemic are the biggest threat
    - China has a forecasted issue with Computer chip delivery. This will impact the delivery of most handheld and small electronic devices.
    - Fire in the factory that primarily produces sharps bins and continued lack of SPS causing shortages in medical PPE and Wrap makes me think we are not through the woods yet.
    - Moving out of winter
    - Logistics and import pressure
    - As CEO, I am always expecting that even with the best of planning, something will present itself that I didn't count on. I try to prepare my organization to be risk-neutral which gives me an opportunity to proactively look at risk as an opportunity. Operational risk at first seemed to go up starting last March 2020, yet we ended up having our best year ever due to a variety of decisions made before and during Covid. For context, my business is software, SaaS, tech, and information services. My channel was hit hard - academic libraries, public libraries, museums, and research.
    - Operational risk is only partially controllable due to the influence of outside factors. Preparation and response planning are key.
    - I am particularly concerned about counterfeiting. It seems like it is getting easier for counterfeiters to make, distribute, and sell their goods. I am concerned that neither supply chain professionals nor consumers are motivated to take action to address this threat.
    - Container backlog; resin disruption; labor shortage
    - Upward pressure on wages.

- Increase due to 1) increase in counterfeiting risk with the expansion of global supply chain and 2) greater exposure to climate-related natural disasters
- I suggest you use Little's Law to estimate the macro average inventory. Then use convolution of demand and lead time. Then use that data to estimate sigma. Then add at least three sigmas to the average.
- The risk of product counterfeiting.
- There is a dilemma in the supply chain right now as we see products get very low if not out-of-stock, then surges of deliveries. One client has not had any deliveries since the first week of January and is now seeing 18 containers being delivered in a 2-week period. We also have other clients seeing scarcity in specific items/sub-components, which is causing a production flow issue. And these items are not something which historically had been a concern.
- Any actual result would be strongly affected by an armed conflict in Asia.
- Climate extremes have caused risk to elevate in Central America and other supplier locations as well as mainland USA. Product counterfeiting from Asia will continue to escalate
- Concern over COVID-19 manufacturers consuming manufacturing capacity and/or raw materials that cell/gene therapy and biologics manufacturing is looming. Ramp up of COVID-19 manufacturing capacity may also result in the cannibalization of personnel resources needed.
- Bracco is implementing mitigation plans for Operational Risks that will actively reduce this risk.
- I will be watching for initial hurricane forecast risks in early April. Expected to be a high-risk year in Q3
- Typically a seasonal low in the spring.

2. Quality Risk

- The past eight months had a large focus on quality.
- Due to Covid, I have less staff to run quality audits. Not great, but currently a low risk for me.
- Companies are shoving products out the doors. Quality has dropped.
- Changing quality standards are a constant risk in today's global business world.
- The "Weird Year" experienced for a season shortened by half will hopefully become normalized by the Fall
- Quality took a hit during Covid, but we have since learned how to handle remote implementation of our hardware. I certainly believe that this time last year there was a serious threat to our quality.
- Focused effort to prevent breaches
- Our suppliers are desperately trying to ship bikes ASAP, and there is much less oversite from our US importers because of Covid. As a result, I think we will see more warranty/defective products.
- We do not use outdated techniques, such as checking items against documentation. We use Statistical process control, tied to critical specification parameters and specific process steps used to meet the parameters. When products are within CP/k values, the product is highly conforming, and inspection is not necessary. If using older techniques and documentation is an issue, putting all documentation online and make so the documentation is not downloadable. This ensures current documentation.
- The only issue I see here is the possibility that quicker responses to demand will cause decreases in the quality of materials, parts, or finished goods.
- Medical manufacturing is shifting in factories to new locations and new companies. The volume of change is very high while the distributors try to regain control.
- We are forced and challenged to continuously improve because if don't, someone else will eat our lunch. I'll give you an example, a program we took over had an uptime rate of 90%. Some people felt that was pretty good. When asked if that was good enough, all one had to say was Amazon never crashes. How does 90% sound now? Another vote of quality is renewals, reorder, and whether our client base will, after reassessing, chose to stay with us. Faster we must run to stay in the same place...
- Inputs were lower quality across every category.
- We are running our own quality checks, like purchasing an ozone tester to see if the UVC lights installed in bus and classroom, ACs actually do not emit ozone as publicized. We have to take these responsibilities as an organization.
- Experience is a great teacher.
- Infrastructure and process established to manage remote quality management
- Increased e-commerce fulfillment pressure during peak periods (Black Friday/Cyber Monday through Christmas).
- Adoption of APQC framework

- As organizations continue and even grow their push-it-through to get it out to market mentality, I am seeing more quality concerns and increased inspection requirements, especially at incoming to make sure product is conforming.
- Aerospace customers are looking more closely at parts now and are asking for first articles more often.
- Continuing efforts to achieve bottom-line results and P/E compression by offshoring are affecting quality.
- Continuous quality improvement processes will lead to less risk
- Without taking the right time, and this is where in-person interaction is critical, I believe there will be more quality risk. Too easy to push along rather than check in with others as well as feeling pressure to move onto the next task.
- An increase in the economy will lead to increasing demand for a faster turn-around. I am already seeing quality implications.

3. Transportation Disruption Risk

- Overseas container shortages.
- Cargo on commercial flights is at risk due to decreasing routes and inconsistent commercial flight schedules
- COVID has created added transport risk.
- Local, State and Federal government leaders have no plan to provide the infrastructure needed to support transportation and warehousing growth in the Lehigh Valley. A major missed opportunity.
- The container market is tight, and we are currently bringing in more than normal from overseas. This could be a headwind as we pay more per unit to get the capacity we will require in Q2.
- Continued port congestion on the west coast is driving up costs and making lead times unreliable.
- Remain at an elevated level due to covid environment/logistics supply challenges such as bottlenecks at ports.
- With the pandemic hopefully starting to wane, there may be increased demand in certain areas
- Spring weather better - less ice/snowstorm impacts, and not yet hurricane season.
- Container shortages/port congestion/shipping prices from CHINA - need all of these to normalize back to their proper levels
- As we have seen with Covid, logistical supply chain disruptions can happen at a moment's notice. Preparation for these is, in some cases, not even possible with unforeseen events. Managing these not to necessarily avoid them, but to incur the least damage possible, will be a great challenge in the future.
- Fuel prices are rising from executive orders in the White House.
- Covid-19 has caused a huge disruption in the transportation lanes. There is a huge backlog on freight arriving from Asia. Some of that comes from a lack of actually international containers. Others come from increase pricing to haul these containers, and whoever pays more will get the containers on the boat. WE have had so many of our containers pushed out for weeks.
- Political and Civil Unrest. Increase in Porch Piracy.
- Pandemic-related transport impacts are abating.
- Both the wrestling team and I should return to normal transportation. I stayed home all season, and they could only take bus trips (likewise for visiting teams from much closer campuses).
- Container costs have tripled in price, causing price increases.
- Fuel prices are already increasing, adding to operational costs. We're heading into hurricane season in the south, and that affects infrastructure stabilities. Marketplace uncertainties haven't decreased proportionally with the increase in COVID-19 vaccinated persons as had been forecast.
- Fuel prices are steadily rising, the driver shortage remains acute, and infrastructure is in decline throughout the US.

- There have been huge transport disruptions due to covid, Brexit and China sanctions in the past. These should all improve in Q2.
- Demand is likely to go up as the economy gets stronger.
- Driver shortage is increasing and becoming a significant headwind.
- It's been very bad, and with the pandemic conditions improving, I expect labor conditions to improve, which will reduce risk.
- Snow down south impacted FedEx, UPS and USPS for 4 weeks. We do not see this as a potential impact until next winter.
- As the Covid risk lessens, the transportation risks are slightly diminishing.
- We experienced COVID-related delivery issues due to driver shortages and regional rules. Expecting that to be eased.
- Fully expect fuel price increase and driver shortages.
- For me not relevant unless we redefine transportation as being how information flows, what 'frictions' are in place that will cause information to arrive incomplete, late, not in a fashion it can be used. Etc.
- Shipping delays of 3 to 8 weeks on inputs.
- Fuel prices are increases in the host county where I serve, but we have severely limited busing service with a mostly virtual school with limited on-campus experiences
- Anticipated changes in leadership on the way.
- Transportation seems like a perfect storm. Every mode is experiencing disruptions, which are leading to the Bullwhip Effect. It seems unlikely that these bullwhips will resolve themselves in Q2, and they could be amplified by additional disruptions.
- Remain the same in the context of an elevated risk of demand management due to the shift in consumer need related to homeschooling, school openings, and consumer spending profiles.
- Biden Administration's stance on the oil industry has raised costs by 16% in less than 60 days. Reversing long debated truck driving rules (an about-face) will lead to further disruption of available talent and capacity to fill already shorthanded truck driver jobs.
- Small parcel providers limit the amount of parcel pick-up volume during peak periods (Black Friday/Cyber Monday through Christmas).
- Demand volatility associated with recovery of commercial aviation industry.
- Rising fuel prices.
- We are starting to see more evidence of price increases and driver shortages
- Fuel prices are on the rise, but that is something that is anticipated. Another area not being discussed is tolling. In PA, there is a tolling plan that was recently approved to toll numerous interstate bridges through the commonwealth. There are no numbers published yet, but it could add $10 to $50 per trip or more, depending on the routing. Mandated minimum wage increases are also a concern. If wages go up in other sectors, there may be a migration away from the industry by drivers. In addition, those that stay will want more. It will just create a cyclonic problem of increasing costs to the shipper.
- Remain at an elevated level due to logistics constraints (ex. Delays for sea shipments from China, difficulty getting containers to ship to China)

- With the continued driver shortage and capacity shortage in trucking, it's likely that shipping costs will continue to surge before they eventually level off. This will have an effect on all supply chains and their budgets.
- Driver shortages continue as a growing problem and will be worse as the economy reopens with a lag to catch up.
- Travel is still a big issue for consultants, and deliveries continue to have some issues. Certain supplies are back-ordered.
- Rising commodity prices, inflation, and return of normal traffic.

4. Cybersecurity and Data Risk?

- We need to stay diligent in keeping up to date on cybersecurity with employees. Customers are increasing requests for cybersecurity with products they purchase.
- We are a Cybersecurity business and see tremendous growth in 2021. I think cyber-attacks will continue to increase.
- Continued work from home order for office staff means more work done in less secure locations.
- A number of transport firms in the US and Canada were targeted and hit with ransomware in Q4, and there is no reason to think it will stop. Any firm with data is a target but especially midsize companies that may not have the sophisticated systems to protect from these attacks.
- Always a high risk
- As we have seen, cyberattacks can occur at a moment's notice and even to the most highly guarded systems.
- Continued increase in work-from-home-related cybercrime.
- Not just our company being penetrated, but third-party tools we use can be vulnerable.
- Too many young people at home due to the pandemic. Time on their hands. Internet overloads, data theft, scams, identity theft, security violations are all common side effects of people who don't comprehend or care about the impact of internet vandalism.
- We are reducing exposure to Internet-based communication and using dedicated internal networks. Cybersecurity risk is too high, and there are insufficient third-party companies with sufficient knowledge to minimize risk.
- The number of attempted breaches continues to increase.
- For at least the next year, current risks will stay the same or increase. This is out of control because the country did not handle the lesser problems over the last four years, and now it is worse.
- Ever-increasing
- We have seen an increase in attempts to steal or spoof data.
- Hacks seem to be increasing incrementally.
- Look no further than MSN being hacked...
- Not a huge issue here.
- It seems like the threat of cyber-attacks is increasing, and there is little being done (or perhaps that can be done) to prevent them.
- Cybersecurity & Data Risk staffing/talent needs continue to grow.
- Increase as the adoption of digital supply chain expands
- We're probably better prepared than we were a year ago, but the risks are always increasing. This also bridges customers and suppliers.
- This is an ongoing and ever-increasing threat to doing business in today's world.
- This will always be one of our top risks since I work at a financial services company.
- At an elevated level like in Q1
- We are required to certify to CMMC per NIST 800-171, and we've found that the more you try to prevent hacks, the more you tend to be the target of them.

- China and Russia are becoming more blatantly aggressive. We need to decouple as much as we can from global networks, especially the power grid.
- We have taken steps to prevent this, but the unknown will continue to be a risk.
- Cyberattacks and System viruses will increase. Software issues have been rising due to a decline in software manufacturing QA as they push releases out faster and faster.
- As pharma/biotech companies progress and develop new product candidates, criminals/hackers will be more interested in stealing intellectual property. China has been a risk in the theft of IP and will continue to be.
- This is already a much greater issue than we realize. With so much work at home, this makes us even more at risk with less security than many offices.
- Cyber risks are increasing daily

5. Supplier Risk

- More scrutiny on the use of forced labor will slow some chains.
- Covid-related: labor availability, OWS interventions
- We are anticipating that several of our smaller suppliers may go out of business if the market doesn't rebound soon.
- Geopolitical landscape becoming unstable between China and US and relations being stressed. Development of supply risk migration strategies imperative, especially on products that have a limited number of suppliers, i.e., raw earth materials.
- Change is constant.
- Materials and service demand from manufacturing activities related to COVID 19 treatments will likely increase competition for materials. COVID-19 infection of the workforce remains a supplier risk
- All COVID related which impacts most of the criteria above
- As the Covid impact abates in Q2, we expect that our suppliers will be in a better labor position and will be able to ramp back up their capacities
- 100% of my supply comes from the Asia Pacific region. Mass delays in raw parts and continued port congestion on the US west coast for importing finished goods.
- Remains at an elevated level due to supply challenges in covid environment and high price volatility (ex. steel)
- Pandemic has put pressure on many, but similar to Q1
- Hopefully, pandemic impacts begin to lessen so suppliers can get back on their feet financially, etc.
- A lot of M/A re-strategizing within our supply base is causing concern for the future from the standpoint of uncertainty
- Lumber prices have tripled in the past 8 months. All construction supplies are extremely volatile
- This hangs together with the aforementioned logistical challenges.
- Covid 19 also has had a major impact on suppliers. There are still opportunities from some of our suppliers to get back to max capacity. The unexpected increase in demand and shutdown to suppliers due to Covid 19 was a perfect storm in creating supplier shortage.
- Sourcing risk from China remains elevated (tariffs) but does not seem to be increasing.
- Supplier risk continues to be something that is on the rise. Mostly around the fear of counterfeits entering our supply chain. With the pandemic, I believe we are going to suffer the consequences today of not being able to control our supply chain during the pandemic.
- Slight increase pending current global environment
- Price volatility – yes, a definite need to source additional suppliers to satisfy demand.
- As product demand is expected to increase, we're expecting to have more difficulties obtaining supplies in a quantity and quality expected and delivered when expected.
- High probability of inflation.
- We have taken steps to offset supplier risk by buying supplier capacity and building some vertical integration capacity.

- Our major items are bought from a small number of single sources. We hold all process resources in escrow accounts and maintain minimal risk for supplier disruption. Our disruption is limited to our ability to replicate processes.
- These are all real issues that hopefully will improve over the next years with traceability, better supply chain design, more stable markets and demand, and easing geopolitical tensions.
- High demand has led to overly confident suppliers creating risk for suppliers to take liberties they would not normally take.
- The availability of computer chips has caused us to accelerate our orders. This can cause many issues if there is something wrong, you order the wrong mix, or a new product is released.
- Global electronic component manufacturers are going into an allocation.
- As Andy Grove said, in a crisis, Good companies survive, great companies get better. Oh yes, and all the other companies risk becoming obsolete.
- Team building with outside vendors helps mitigation of these issues
- Suppliers are stressed because of businesses coming back from COVID and the electric car industry
- Between the transportation capacity issues from Asia to the efforts to ramp up new suppliers, this space seems to be turbulent and vulnerable to disruption.
- Remain the same relative to an elevated supply risk due to coved although exacerbated by government crude oil and pipeline decisions and the ongoing coved weariness.
- Capacity issues and price increases with key suppliers
- Lead-times continue to increase by significant margins
- Steel Market is troubling
- Single source for some components, supplier quality
- As we come out of the pandemic and money stops being injected into business, there is the potential for many small- and mid-businesses to take the money and run. Closing their doors. Also, acquisitions have already started creating turbulence in the supplier base.
- There's a big push to diversify our supplier base, especially from a diversity and inclusion standpoint.
- At a higher than usual level similar to Q1. Major semiconductor shortage continues.
- Some of our suppliers are getting "older" and the risk of their retirement greater.
- Much of this is just coming to the forefront, e.g., computer chips
- Pricing spikes are making it difficult to source trucks at reasonable rates, so options become limited when trying to service our customers' timing needs.
- COVID-19 has disrupted several cell therapy and biotech raw material and consumables supplies due to constraints on silicon, glass, etc. Capacities to formulate complex biologic starting materials have become tighter with the growth of cell therapy.
- Actions by NGOs and the CBP are not predictable or consistent
- Ongoing Port issues in California and wood pricing/supply are ongoing issues
- Due to Covid-19, we are seeing fewer single supplier issues.

6. **Customer Risk**

- Demand variability due to Covid
- Expect increased customer support and expansion.
- Customer’s usage patterns are failing to meet forecasts
- Dynamic events will continue to drive increased demand and force forwarders to look for creative solutions to handling volume while managing costs
- The warm winter has softened demands, and so we will enter into the spring markets more easily.
- Expecting online sales to grow from 20% to 30% over all businesses. It means it's more likely for customers to switch brands more easily.
- Continued Covid situation and the drag on the economy means customer demand will be impacted. The lack of a predictable recovery road makes this risk higher.
- Remains at an elevated level due to increases and fast changes in customer demands in the COVID environment as recovery efforts accelerate.
- Hopefully, business continues to reopen, so more customers for our out-of-home venues.
- Customers have gotten more difficult, and we believe it is due to them being angry from the pandemic.
- Vaccine distribution increases expected to bolster consumer spending and unleash consumer savings from the last year.
- Low inventory in stores creates lost sales, and more customers are turning to online providers like Amazon and Etsy for their products.
- Will B2C continue to accelerate, or will consumer spending return to brick & mortar? Will these companies look to invest in inventory as demand increases or rely on JIT?
- Recession and recovery timing is impacting customer plans for expansion.
- Since my average customer age is around 80, obituary notices are an increasing concern. Their loyalty is incredibly diehard - but that phrase is the operative one. Young fans are very hard to come by.
- Customer risk hit its peak in Q2 of 2020. As we have moved forward, that risk has come down. Currently, I think that we are seeing customer risk stabilizing.
- Until the world returns to "normal", there is a risk consumer will conserve money/finances.
- It's a seller's market at least in the bike industry, so MRSP+ is holding strong, and the customer has to take what he can get.
- Although we only sell wholesale, increased retail customer risk is expected, and that increases risk to our expected demand and product pricing.
- Contrary to published data, we are seeing an across-the-board increase in pricing in almost all areas. This will result in increased product pricing with resultant loss of some customer base.
- You never know.
- I think it's lack of ability of customers to participate in the market. Be the end-users with family incomes that have evaporated or the mid-stream resulting of slow demand.

- Demand will get stronger; people's buying behavior has changed and will continue to evolve.
- With the pandemic changing with mass vaccination, the economy will shift again as new segments are reopened.
- After being closed for 12 months, we see customers gradually reopening their facilities and are ramping up their business. We expect this to accelerate month over month and peak in September.
- Customer increases as we emerge from COVID. Difficult to predict customer growth and impacts.
- See my comment above... The world is going faster; companies are racing to aim higher; the demands are increasing. We try to create a culture that embraces and thrives in that type of risk environment.
- Very volatile times. Many of our families are from overseas, and the retraction of visas due to covid or companies repatriating families has already taken a toll and may continue to…
- This is hard to predict. Building a customer service quality brand seems to work for us
- It feels like confidence is building, and companies are now optimistic about recovery. "The worst is behind us." This could change, but right now, my perception is that customer risk is actually falling.
- Too much demand uncertainty and because of competitive disruptions and vulnerable supply chains, there is a massive shift to us. Also, highlight Walmart's 98% on time in full, which is impossible in normal circumstances.
- Servicing customer risk will increase due to supplier risk. Customer loyalty risk has decreased.
- Recovery of commercial aviation industry
- Customers are desperate for products, and they will buy from whoever can get them parts the quickest. Price and quality are taking a back seat.
- Changing market and ways customers buy products of our type
- Over the next two years, as money stops being injected into the economy, there is the very real threat of many suppliers closing because of accrued debt.
- Also, at an elevated level (like in Q1) with covid hot spots / uncertain environment and unclear if stimulus impact in Q2.
- MOST businesses are changing their business models, especially their travel plans and locations of production sites. Many of these changes will actually make businesses more efficient, but customer loyalty is being tested as product needs are shifting (e.g., insurance/rents/transportation/entertainment)
- We have seen too many customers in recent years shifting control from their local facilities to corporate decision-makers that we do not have the ability to see or have discussions with. Relationships are becoming less important, and cost (not service) continues to play a larger role.
- Customer dynamics will increase
- Anticipate increased volatility as economy starts and slows, then speeds up again.

7. Technological or Competitive Risk

- IP theft and counterfeit products are increasing.
- Winning business creates increased competition.
- With the acceleration of the digital age, it is forcing companies to update their tech, which is a huge capital investment. Whoever is the fastest to market will steal market share.
- More digital solutions disrupting niches of the marketplace
- Thankfully, I have a virtual monopoly on the kind of news I generate.
- Lack of supply is dominating everything
- Our proactive implementation of IoT apps and expected positive results from our own technological improvements should reduce risk and provide a margin of advantage over our competition.
- Unexpected competition and alternate products enter our market unexpectedly. We have a set of capabilities that allow us to change final products in case of unexpected new competitors.
- Many new technologies have and will be deployed. Companies do not know whether they made the right choices yet.
- High tech, low volume contract manufacturers continue to increase in competition
- Yep... it is not enough to be smart; one must also execute. It is not enough to be well funded; one must also use resources well. It is not enough to be big; there are giant killers everywhere.
- We provide front-line response services that requires only small market control.
- Technology and competitor risk are high, but I do not expect these to change significantly in the next quarter.
- As noted, Asia supply chains-particularly to the west coast ports will be challenged. I expect incremental demand to fill in distressed competitive supply.
- Regulations remain a thicket that no one, including the government, can see through or administer. Regulations are only be used after the fact to CYA that the government officials found wanting in proactively enforcing laws already present.
- Staffing & wage pressures require investment in technology. Lengthy ROI.
- Pandemic has accelerated implementation of digital technologies, e.g., DLT, AI, IoT
- Certainly expect to increase over time, but don't see anything exceptional in Q2.
- Is technology really worth it? Maybe/Maybe not! Does the cost really qualify as a benefit or is a necessary evil of doing business today?
- We do a lot of automation.
- Bottom-line goals may drive altered sourcing.
- We have software systems that provide us the ability to meet customer demands on visibility and integration.
- New entrants into cell therapy space

8. Government Intervention Risk

- Major concern with trade war with China.
- They will hurt business like Obama DOT changes the hours of service after 70 years, this is or could be a serious problem
- New administration will resolve trade wars.
- The Biden administration has already issued executive orders to reverse progress made in trucking regulations. The absence of dialogue to address legitimate issues is a disappointing stance given the call for unity. Increased regulations will cause more drivers to leave the industry, increase fuel costs, and strain those who can least afford ham-handed bureaucracy, small businesses.
- Not expecting the Biden Administration to change Trump-era tariffs.
- A new administration means changes from the past. Regardless of whether the changes are good or bad, change brings short-term uncertainty as the markets react.
- Expect a gradual decrease with the Biden Administration (more in favor of free trade, less likely to announce major tariffs without warning).
- Don't expect any impacts here from a change in administration.
- Tariff overhang remains a threat as we source from China.
- We are hoping trade wars stop and we can get overseas supplies again.
- Governmental restrictions on source material, etc., are becoming more and more frequent.
- Democratic Executive and Legislative branch; much more regulation.
- Risk is elevated.
- None.
- Less volatile with the new administration.
- Tariff exemptions have expired, so I feel like price is volatile.
- We strongly expect the current administration at the federal level to continue to interfere with private enterprises. In 2 months, the amount of interference has already exceeded the previous 4 years.
- We expect a significant increase in federal some state regulations in the US. Overseas, we experience a consistent application of regulations. The EU has been lax in policing regulations, but that might change going forward.
- Possibly - I think it will be very industry-specific.
- Not sure what Biden is going to do. But he should be more equipped to handle global relations than Trump, who was a disaster.
- There could be more regulation and tariffs, but nothing as disruptive as that last guy's trade war and tariff disputes with China.
- Risk is already high in this area and will remain high
- New regulations are expected to increase dramatically over the next two years. We do not expect this to be business friendly.
- Stabilizing the executive branch and rehiring in critical roles across government has had a very positive effect on mitigating risks.
- Again volatile. The state gov here has made a number of edicts in the past year that actually hurt schools and teachers. These have been rebuffed in the courts, but they cause a lot of discord in the community

- In the face of Covid and government overreach in other areas.
- I see the risk of government intervention falling. I am aware that there is an effort by the US government to map critical supply chains. But I don't foresee this having a disruptive impact in either the short or long term. Instead, I anticipate that this will lead to government incentives and public-private partnerships to build capacity for critical items, which will reduce supply chain vulnerability.
- Extended unemployment in a full-employment Lehigh Valley is making recruitment even with 50% labor rate increases and incentives impossible. It is clear that the Biden Administration isn't walking away from Trump China tariffs, so the demand from the US and non-China supply base will be enriched.
- Knee jerk and short-sighted Biden Administration reactions to impulsively react to the partisans leading our country around the Green New Deal, the Oil Industry, and Labor Unions in the name of safety will do great damage to our nation's economy.
- Little visibility to minimum wage increases.
- Potential risk associated with rare earth elements used in permanent magnets and exposure to Chinese tariffs.
- The new administration will increase regulatory challenges.
- Tariffs.
- Tolls, Tariffs, Taxes are all on the increase.
- But we are always keeping a close eye on our regulators.
- Expect more tariff stability in the new administration (prior administration very unpredictable)
- NIST 800-171...greater regulatory interference expected.
- The new administration seems reckless in pursuing social goals
- In the short term, I feel the regulatory risks will remain the same, but there are proposals in place that could create significant challenges for my business if they are pushed through.
- Democratic leadership will increase regulation. However, expect a calming in Tariff and Trade
- The US government can "sequester" manufacturing capacity for COVID-19 therapies.
- Aligns to the above comments on CBP for imported materials.
- With the new administration, I expect more taxes and regulations. Hopefully, it will not be too hard on smaller businesses as it is hard enough now!
- Labor shortages will be worse in the short term due to the "rescue" plan as people get paid not to work. Longer-term re-regulation will be an issue plus tax increases.

9. **Economic Risk**

- Commodities are on the rise, and COVID restrictions are lengthening transit times at borders.
- Taxes, regulations, shutdowns.
- I anticipate that the labor shortage in the factory due to Covid-19 cases and quarantines will reduce in Q2, and we will be better able to run a fully staffed plant
- Labor shortages at suppliers, our US domestic warehouses, and office staff as a result of Covid.
- Remains at a high level, especially labor shortages, commodity prices, and border delays.
- With the pandemic hopefully waning, price volatility and shortages seem to be improving
- Assume okay as pandemic unwinds.
- Lumber and labor shortages are crippling the construction industry.
- All of the above concerns are valid.
- Increase in fuel prices, petrochemicals, and electric increases related to the Winter Texas energy crisis.
- Covid-19 has changed all this. I am seeing a labor shortage and lack of people willing to work in a warehouse environment due to covid.
- Risk is elevated.
- Pending the return to normal and a possible massive increase in demand.
- All of the above for us. Major shipping delays and lack of product for a seasonal business will make it hard to do volume. Covid is keeping manufacturers from scaling up to meet demand
- Energy costs are expected to continue to increase as a direct result of government interference. This directly impacts commodity prices that will rise proportionally and further squeezes our margins.
- In the US, additional pressure to move from traditional energy sources to less efficient, higher-cost, alternative energy sources are expected. America and Asia look to be neutral on the issue.
- Energy costs for sure - commodities - yes - labor shortage - probably not.
- Vaccines are showing the light at the end of the tunnel. Oil and fuel (especially jet fuel) will start to become in short supply in Q2, Q3.
- Issues with Brexit will continue or get worse, truck driver shortages will continue, but otherwise, global issues will not change.
- Risk is already high in this area and will remain high
- Our company will continue to grow. Our customers had to lay off a large portion of their employees. That group has most likely gained employment elsewhere. So, hiring will be a challenge.
- Bailout questions remain.
- Capital costs will probably rise. Labor demands will increase. Health issues will continue to lurk in the shadows. Etc.
- Potential for increase is there, although we spent this school year mitigating risks for next year through attrition, financial projections based on the latest data, and other inputs.

- Labor shortages in particular based limited labor pool of front-line emergency response personnel.
- I do anticipate some inflation risk. In spite of this, I anticipate a general reduction in economic risk during Q2.
- All of the above. Gulf coast freeze, hurricanes, government energy policy shift, unemployment, and container shortages
- Increased energy costs. Risk of war given the appeasement shown Iran at the expense of other Mideast Allies. Excessive regulation and government overreach as Democrat party constituencies are picked as "winners" by the current Administration and Congress. Labor shortages, as more money is sent by the government to citizens which discourages workforce participation.
- Cost of real estate & limited supply of real estate (warehouse space) in desirable areas of the county (near key small parcel hubs)
- Commodity pricing and labor shortages are MAJOR concerns
- Electric and gas are a serious concern due to the new administration policy.
- Labor shortage.
- Paying an extra $300 a week in unemployment furthers the issues of not being able to get people to come back to work.
- as the economy restarts, labor may become scarce
- Freight needs to continue to move regardless of what the economy is experiencing.
- Energy markets are not as stable and increasing, and commodity prices are increasing very rapidly, with some very severe shortages emerging.
- Inflation and many traditional and non-traditional financial risks.
- Packaging costs, transportation, raw material will all be more expensive driven by the increase in oil prices. IF $15 minimum wage goes through, labor costs and availability could be an issue though offset by more immigrants who will be working in construction, woodworking, manual labor, hospitality

10. Environmental Risk

- COVID rules will require significant procedure changes
- The recent Texas freeze has already caused innumerable issues in this regard.
- Not only are environmental incidents more frequent but also affecting larger geographic areas and are not as localized
- Severe storms always a Winter issue, but the Internet saves the day as long as the teams can travel.
- In general, these risks seem to increase each year
- Bad weather can hurt the bike industry, but it's an unknown.
- These are not predictable.
- In general, everything weather damage is increasing is my perception.
- Q2 = no snow
- No more snow
- Can't request the weather.
- Environmental risks are hard to estimate from one quarter to the next. Overall, this risk is probably the same all the time.
- Climate change
- This is a card that no one knows the answer for. However, if you follow the trend lines, the likelihood of an environmental risk impacting your business to be growing with every passing season. And it is not just the impact in your region, but it could be anywhere across the globe which has a ripple impact on you.
- Somewhat elevated as world weather more extreme than in prior years, but similar to Q1
- As we approach the warmer weather, the challenges created by snowstorms will disappear.
- Earlier comment about 2021 hurricane forecasts. Hurricanes are expected to shift from the Gulf to the east coast.