



BLANKROME

COVID-19 Employer Trends Survey

For decades, we have worked with our clients to cope with the challenges presented by a variety of problems. None have had a global immediate workplace impact like COVID-19.

All of our clients ask the same fundamental question: **is our business complying with the law and doing right by our employees?** It was in the spirit of addressing these critical questions in an area of first impression that we initiated this survey. We did so with the support and participation of the employer community in a collaborative effort to quickly disseminate useful data to guide and mobilize businesses to respond to the challenges of this pandemic. Blank Rome reached out to key stakeholders to share their response to the issues created by the COVID-19 pandemic. As the situation continues to change, we will continue to survey this group. We found the results to be enlightening, and we hope you do too. Below are our labor & employment attorneys' key takeaways from this survey, conducted from March 19 to March 23, 2020.

Once it became clear that COVID-19 would have a material lasting impact on employers, Blank Rome's COVID-19 Task Force mobilized to survey our clients on key workplace pandemic topics. We received responses from approximately 150 clients who shared their perspectives on business continuity and responses to unprecedented workplace challenges. The responses reflected a diverse array of businesses across various industries and geographies. The survey data mapped innovative emergency management planning, COVID-19 crisis impact and communications, travel/policy changes, employee symptoms and testing in the workplace, policy decisions, and staffing adjustments.

The COVID-19 pandemic has impacted the American employment landscape with unprecedented speed and force, the impacts of which will be felt for years to come. The unique elements of the disease, which include extreme contagiousness during the asymptomatic period, requires rapid response and extreme precautions now prevalent among American employers.

Pandemic Management Planning

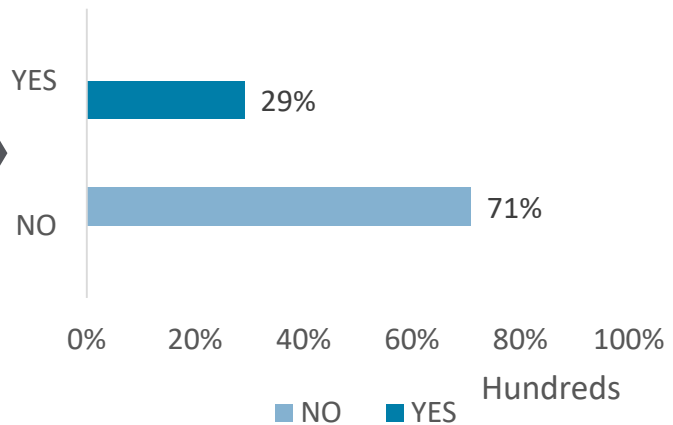


KEY TAKEAWAYS

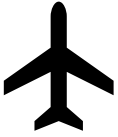
According to the survey, at the time COVID-19 hit America more than 70% of companies had no preexisting disaster relief or crisis management plan. These companies are starting from scratch in creating an emergency response structure, including dealing with issues such as emergency contact systems, key management response teams, communication plans, technology readiness, data privacy, cybersecurity, defining essential functions, having redundancies in place in case key employees become sick, and avoiding making “panic” reactions to unexpected negative news.

1

Did you have a pre-existing Pandemic Management Plan and/or Emergency Management Plan that you activated in response to COVID-19?

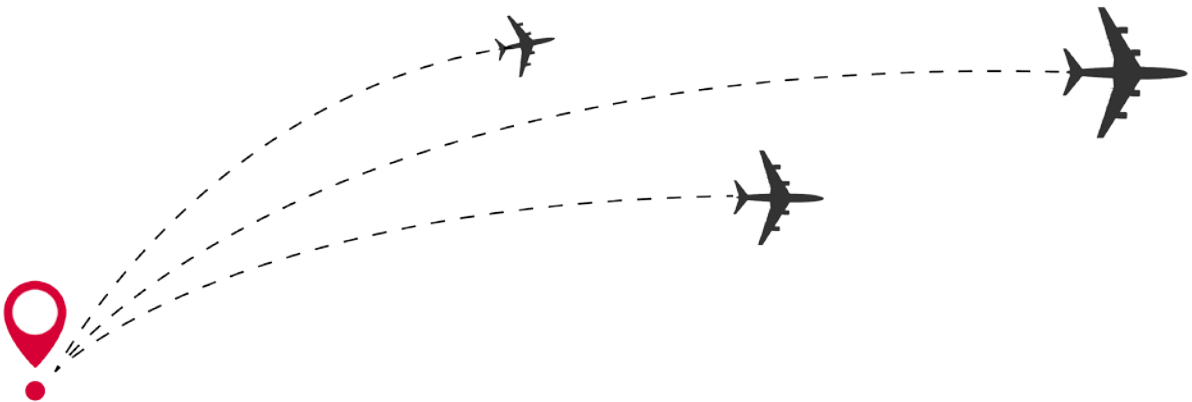


| ANSWER CHOICES | RESPONSES |
|----------------|-----------|
| Yes | 29.13% 37 |
| No | 70.87% 90 |



KEY TAKEAWAYS

At the time of this survey, more than 60% of companies had already prohibited all international travel. This radical change triggered an overhaul of traditional business meetings. The “new business normal” includes fully integrated remote work teams, virtual meetings, webinars, and modern technology replacing face-to-face business activity. Surprisingly, at the time of the survey when the pandemic had already closed certain international business, more than 17% of respondents had made no changes to their international travel policies. As this situation evolves, we anticipate this to change dramatically. We are interested to share how long travel restrictions will last, and whether the virtual business model becomes the new norm.



International Travel

2

Regarding international business travel, in response to COVID-19 our company:

Prohibited all international

Required pre-approval

Issued communication

Made no change

0% 20% 40% 60% 80% 100%

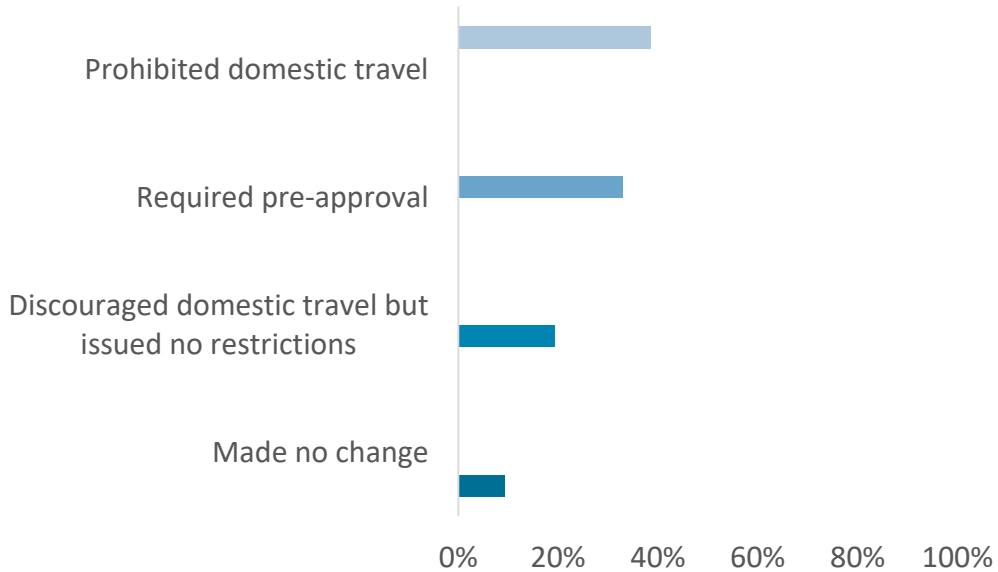
| ANSWER CHOICES | RESPONSES | |
|--|-----------|----|
| Prohibited all international travel | 62.79% | 81 |
| Required pre-approval for all international travel | 12.40% | 16 |
| Issued communication to follow State Department travel advisories but no formal restrictions | 7.75% | 10 |
| Made no change | 17.05% | 22 |

Domestic Travel

3



Regarding domestic business travel, in response to the COVID-19 emergency our company:



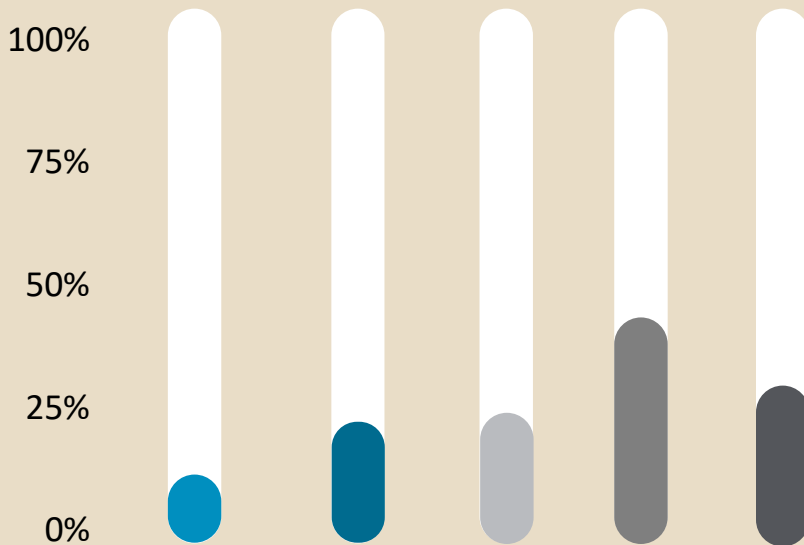
| ANSWER CHOICES | RESPONSES | |
|---|-----------|----|
| Prohibited all domestic travel | 38.46% | 50 |
| Required pre-approval for domestic travel | 33.08% | 43 |
| Discouraged domestic travel, but issued no restrictions | 19.23% | 25 |
| Made no change | 9.23% | 12 |






Personal Travel



4

Regarding employees' personal travel, our company has:



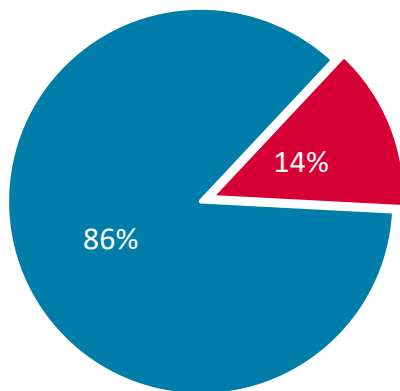
| | ANSWER CHOICES | RESPONSES |
|---|---|-----------|
|  | Required that employees inform Company of when and where they are traveling, so that employers are aware of any exposure risk | 7.63% 10 |
|  | Requested that employees inform Company of when and where they are traveling, so that employers are aware of any exposure risk. | 11.45% 15 |
|  | Discouraged personal travel | 22.14% 29 |
|  | Advised employees to notify the Company of any domestic travel, and that they may be required to work remotely or take leave for the 14-day incubation period (i.e., self-quarantine) after returning from their trip depending on the travel destination | 34.35% 45 |
|  | No change | 24.43% 32 |

Employee Complaints



KEY TAKEAWAYS

According to the survey, only 12% of companies have received a COVID-19-related complaint from their employees thus far. In an indication of how unprecedented a challenge the pandemic is to workplaces, more than 93% of the responses to the types of complaints received didn't fall within the traditional framework of employment complaints, including disability discrimination, retaliation, and OSHA. The essay explanations showed a variety of responses that ranged from complaints about remote work-related challenges to requests to shutdown offices. We will continue to monitor this area in anticipation of an upward trend in employment complaints.



■ Is relying on policies

■ Has made temporary modifications in response to the COVID-19 emergency

5

Regarding medical certification or testing, our company:

Please explain temporary modifications in response to the COVID-19 emergency:



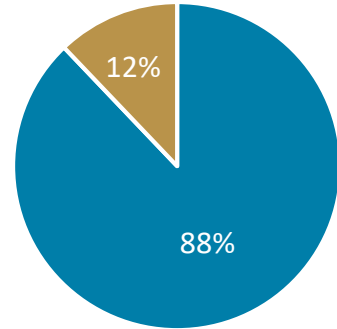
- Asking for documentation of employee reports of Covid-19 diagnoses, after fraudulent report submitted.
- When employee returns from international travel, employee is required to contact university health services via phone and answer questions regarding when and where as well as any possible exposure and/or symptoms. They will then provide instructions regarding ability to return to facility or to work from home for 14 days. If job does not allow for working from home, they will be required to quarantine and can use paid leave time available and may be able to go into negative time up to 40 hours.
- Suspended drug testing for non-required positions and pre-employment hiring.
- Sick employees who report to work may be sent home.
- No information provided.
- If someone is showing any flu like/cold symptoms, they must provide a doctors note.
- Any exposure to COVID, or positive test, requires fitness letter (any given stress on Drs, we'll take an email).
- Temperature screening before entering a facility.
- Released anyone with symptoms. Required doctors release to return.
- Specific weekly communications started March 3rd regards precautionary personal and workplace hygiene, staying home or going home if ill, social distancing. Applied more specific polices on march 13th and formally implemented work from home as well as rotational work assignments.
- We are asking screening questions and are considering temperature checks.
- No pre-certification required and paying 100% for testing.
- Requiring doctors notice if they get tested.
- We are operating on the honor system for absences or modifications/accommodations during this time.
- Extended absence period for RTW from 3 to 5 days; case by case basis in some instances.
- Following CDC guidelines; if sick-sending home.
- Self-reporting allowed.
- We've requested all employees to get tested and made arrangements for the testing to get done.



Employee Complaints

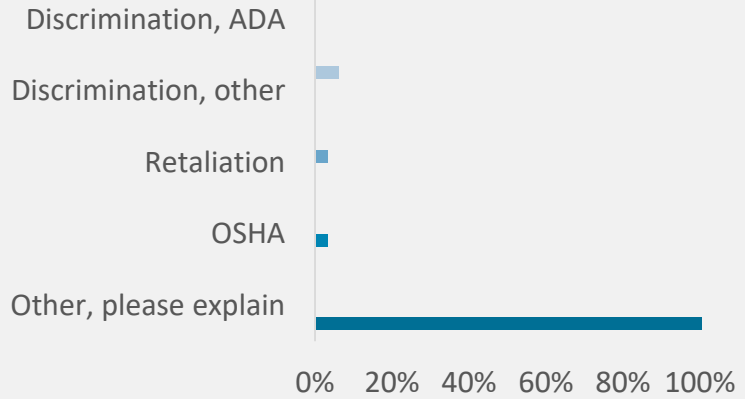
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Have you received any employee complaints related in any way to COVID-19?



■ NO ■ YES

If you answered “yes” to the question above, what type of complaint have you received?



| ANSWER CHOICES | RESPONSES | |
|-----------------------|-----------|----|
| Discrimination, ADA | 0% | 0 |
| Discrimination, other | 6.25% | 2 |
| Retaliation | 3.13% | 1 |
| OSHA | 3.13% | 1 |
| Other, please explain | 93.75% | 30 |



Please explain employee complaints related in any way to COVID-19?

“

- Wanting complete shut-down but still receive salary.
- Mostly questions regarding how matters will be handled but no formal complaints.
- Lack of sanitizer and masks availability.
- Preventive measures, teleworking, social distancing
- Failure to act; failure to act quickly, wrong considerations in decision-making; wrong people (without skill set and experience) making decisions; indecision; etc.
- General complaints that the business has not shuttered at this time. We have core critical employees with remote access, but have not closed our call center at this time.
- No formal complaints only verbal that company should close office.
- Not having a policy in place.
- The frustrations of working remotely.
- Disparate treatment re: permission to work remotely.
- Mostly they are about not wanting to come to work/being forced to come to work and think they should be allowed to stay home during the coronavirus outbreak.
- They want to know why we are not shutting down as other companies in our vicinity are shutting down.
- Not wanting to travel for work when job can't be done remotely.

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KEY TAKEAWAYS

According to the survey, in the very early phase of the US pandemic, nearly 7% of companies have had an employee test positive for COVID-19. In response to a positive test:

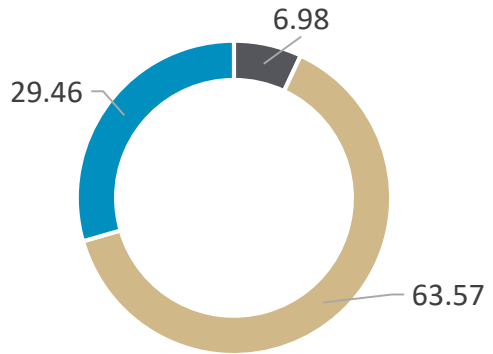
- **23% of respondents converted their workplaces to remote workplace scenarios for all personnel not required to be on-site;**
- **17% continued operations but with modifications;**
and
- **3% who closed the entire worksite where that employee reported.**

Many of the essay responses indicated that they deep cleaned and sanitized their facilities and required all impacted employees to quarantine and self-isolate themselves.

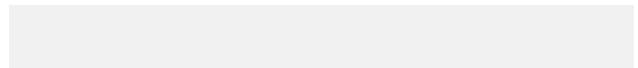
Handling Positive Tests in the Workplace

7

Have you had an employee test positive for COVID-19?

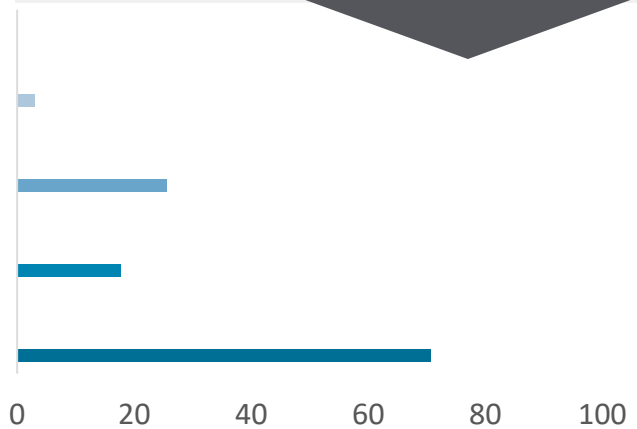


■ YES ■ NO ■ UNKNOWN AT THIS TIME



If yes, did you

- Close location where employee reported
- Convert to remote work for all personnel not required to be on-site
- Continue operations with modifications
- Other, please explain



When a employee tests positive:



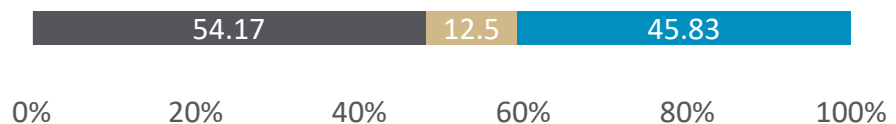
- Currently no non-clinical employee may work at the facilities. If an employee tests positive, place will be deep cleaned and patients and employees return to area with specific instructions. All employees in clinical sections required to wear a surgical mask and when entering a room of a positive patient will wear an N-95 mask. For procedures will use PPE.
- Our offices are already closed; all employees working remotely
- Employee was remote so no action required on our part.
- Closed the site; cleaned the site; reopened with remote operations; physical access only as necessary
- We have not, if yes, we would close the location, sanitize and enable remote workers in the interim
- N/A, though tests are pending, and we have already moved to remote work wherever possible and continued operations in a degraded emergency mode.
- We've had exposure to, but no confirmed cases.
- Close temporarily; sanitize facility; quarantine appropriate personnel; re-open operations.



8



For the positive employee, did you:



- Provide full pay during time off
- Provide unpaid LOA
- Allow employee to use PTO and then move to unpaid



KEY TAKEAWAYS

In response to the pandemic announcement, more than 51% of the surveyed companies have moved to full remote work and more than 36% have moved to partial remote work. Results were provided prior to the influx of state and local government shutdown orders. We recognize the challenges to a variety of operations, including retail, hospitality, small businesses and manufacturing. Many businesses have addressed social distancing recommendations by creating rotating office shifts and physically moving some employee workstations further apart from each other. We anticipate this trend to increase as the fallout from the COVID-19 pandemic continues.

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2

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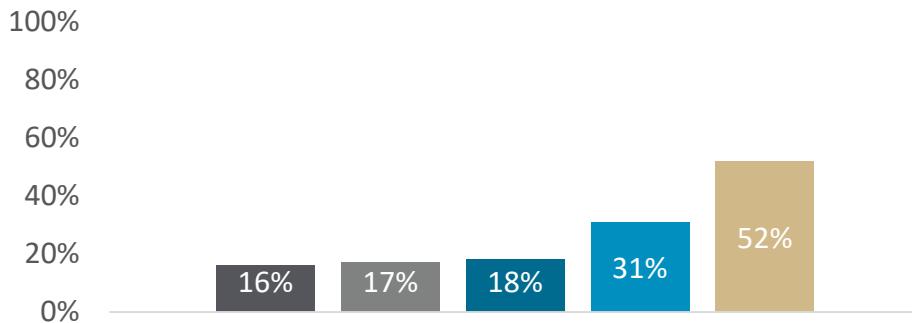
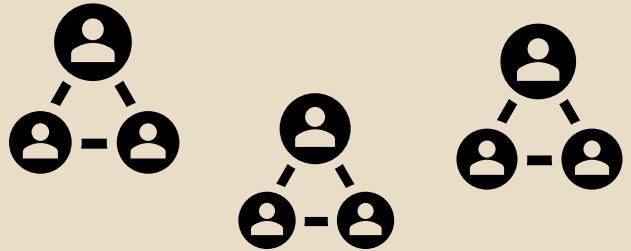
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5

Remote Work and Social Distancing

9

Your response to the pandemic announcement has been:



- Other - please explain
- Physically moving some employees for purposes of social distancing
- Create rotating in office shifts
- Move to partial remote work
- Move to full remote work

| ANSWER CHOICES | RESPONSES | |
|------------------------------------|-----------|----|
| Other – please explain | 16.15% | 21 |
| Physically moving some employees | 16.92% | 22 |
| Creating rotating in office shifts | 17.69% | 23 |
| Move to partial remote work | 36.92% | 48 |
| Move to full remote work | 51.54% | 67 |

Please explain your response to the pandemic announcement:



- No change, remote
- Very small business which needs to operate from the office and cannot operate remotely.
- Partial remote work when available, field staff/safety personnel working as they are essential
- Full remote for professional and administrative. We maintained a significant "virtual" workforce prior to the pandemic. In the field activities generally continue on a case by case basis. Our teams operate water treatment and wastewater treatment systems, as well as work on environmental remediation activities important to public health and safety.
- Started partial remote as trial and moved to full remote as of March 16th
- Largely remote for office personnel; not feasible for field employees
- Moved to full remote work except for manufacturing and logistics/shipping operations.
- Field staff are working split shifts while all office staffs are working from home on a full time basis
- Full remote work for HQ; vets are still in the field.
- Nothing, we are already working remotely
- Most employees across USA working from home, some working in rotating shifts, with special arrangements for those that must visit customer sites.
- Close operations with full pay to employees for 2 weeks
- Our branch staff in the US are still reporting to work as of today
- Everyone that can work remote has been told to do so but we have some roles that cannot remote work.
- Closing operations except for critical personnel
- Increased cleaning of common areas, added portable washing stations in the plant
- Printing shop on rotating shifts
- We are all remote at this point, and we are requiring that people work at least half time during our building closure. If they work less than half time, they need to take PTO for the difference. We did this to accommodate people who have other care responsibilities to attend to as a result of the virus. If an employee works at least half time, we will pay them for their full regular salary.
- Moving all we can remote.
- Stagger shift work so there is no overlap.





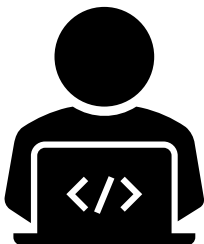
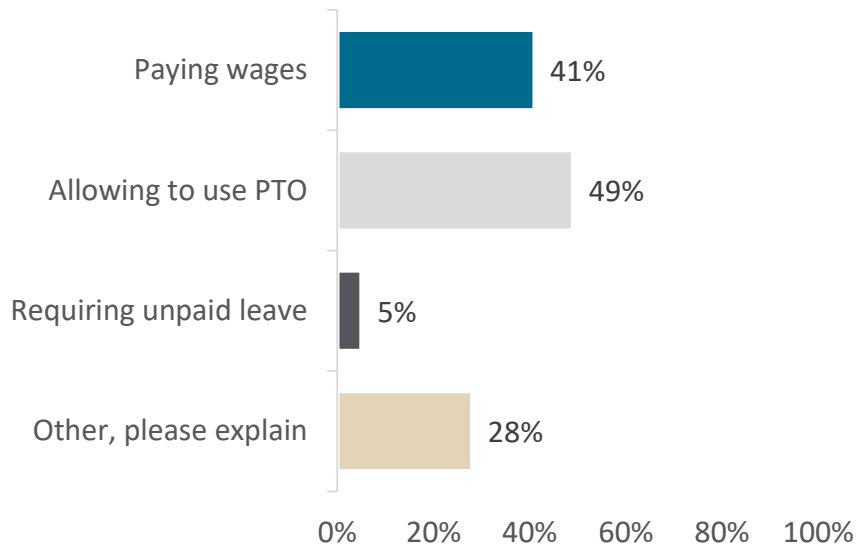
KEY TAKEAWAYS

In a rapidly evolving environment that our modern business world has never previously experienced, we were not surprised to see that employers had a variety of responses to the issue of whether to provide PTO to employees. For those employers who had a COVID-19 positive employee, more than 54% are providing full pay during their time off and 45% are allowing the employee to use PTO and then move to unpaid leave. In addition, more than 40% of companies are paying wages and 48% of companies are allowing PTO use by employees that can't work remotely and are symptomatic but not yet diagnosed. For those companies that have needed to temporarily shut down business operations, more than 21% are requiring the use of PTO. With Washington passing major legislation that allocates billions of dollars toward paid sick leave reimbursement, we anticipate that future responses will be tailored to take advantage of these changes.

Managing Paid Time Off

10

For employees that cannot work remote and are symptomatic but not yet diagnosed are you:



| ANSWER CHOICES | RESPONSES | |
|------------------------|-----------|----|
| Paying wages | 40.78% | 42 |
| Allowing to use PTO | 48.54% | 50 |
| Requiring unpaid leave | 4.85% | 5 |
| Other, please explain | 27.18% | 28 |

Please explain, your response for employees that cannot work remote and are symptomatic but not yet diagnosed:

“

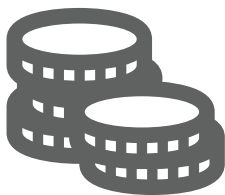
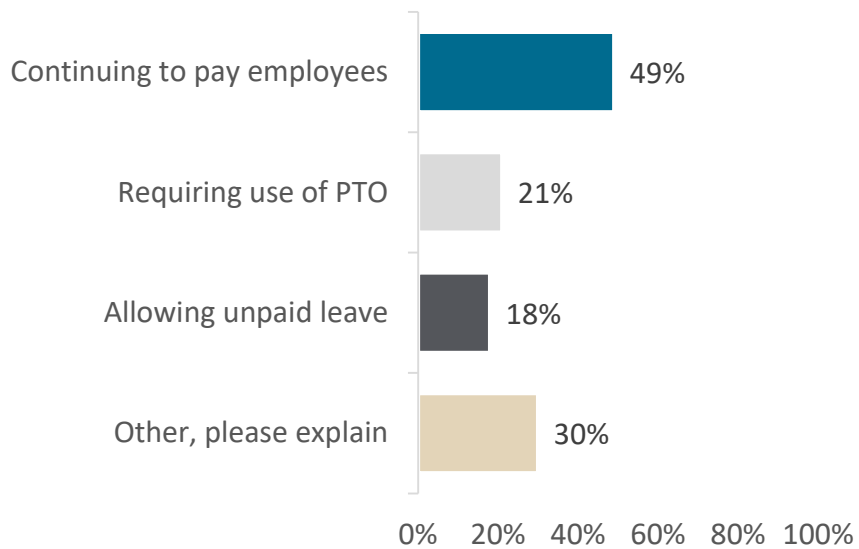
- Placing on FMLA and receiving Paid Medical Leave
- Allowing employee to use negative balance up to 30 hours.
- Will comply with applicable law.
- We don't have anyone who cannot be remote.
- We created a new PTO Classification to be determined if quarantine occurs.
- Union employees laid off; paying office stag.
- Has not happened to us yet, n/a
- All employees are working remotely.
- Sick leave, PTO, special arrangements.
- Hasn't happened yet.
- Salaried employees have salary continuance and state mandated sick pay. Hourly folks have PAD days, paid absence days and some state mandated sick leave. Our policy has not changed on use. If you are sick, we are using benefit plans in place. We are contemplating adding on 5 more sick days to every hourly employees PAD, but have not implemented yet.
- Requiring them to handle other responsibilities while working remotely.
- Not applicable - all can work remotely.
- This will change with the new paid leave laws.
- Layoffs
- Have not yet had any whom are symptomatic however IF that occurs we will allow them to use PTO, vacation, and will pay up to 14 days at full wages if they are quarantined because of COVID and can support with a formal medical diagnosis.
- We have moved all employees to remote work.
- We have not encountered and are not shut down, will plan for.
- If PTO is exhausted, we are planning to step in and pay the difference so that no one loses wages due to Covid-19.
- We don't have any, but would allow use of PTO if we did.
- Will follow any federal state requirement.

”

Managing Paid Time Off

11

Have you shut down any business operations, temporarily? If so,



| ANSWER CHOICES | RESPONSES | |
|-----------------------|-----------|----|
| Continue to pay wages | 48.48% | 32 |
| Requiring use PTO | 21.21% | 14 |
| Allowing unpaid leave | 18.18% | 12 |
| Other, please explain | 30.30% | 20 |

Managing Paid Time Off

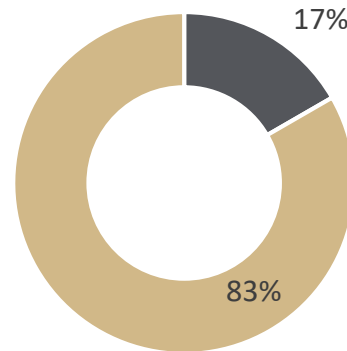
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- Gone to skeleton crew and paying all employees
- Negative paid time off balance up to 40 hours
- No shutdowns yet. 60% of employees working from home.
- All of the above
- All facilities are closed
- Varies by state.
- No business shutdown
- No shutdown of any business operations.
- Haven't shut down
- Not yet. Offices with salaried employees have been moved to remote work. we have not shut down production facilities yet with hourly employees.
- No shutdowns to date, hope we don't go there.
- As of last night we were ordered to shut down, we have not yet determined our approach.
- Self employed.

”

12

Have you invoked a “force majeure, “business frustration or impossibility clause in a contract in response to the COVID-19 emergency?



■ YES

■ NO

Please explain your reaction to a “force majeure, “business frustration or impossibility clause in a contract in response to the COVID-19 emergency:

“

- Event cancellations
- Force Maejure
- Our clients are reviewing "force majeure " provisions in administrative orders, consent agreements, etc. We are assisting in this effort. We will be reviewing the relevant provisions in potentially effected contracts shortly.
- Scheduled off-site meeting canceled; invoking clause.
- For government contracts, using the provisions of the Federal Acquisition Regulations which recognize excusable delays. Have not yet invoked force majeure for commercial contracts.
- For our National annual meeting scheduled 4/30 - 5/2
- Major Event
- For hotel party related to cancelled AFPM.
- To cancel contracts with hotels for company meetings.
- Hotel/event contracts.
- Within a marketing agreement.
- For scheduled travel that has been canceled and a scheduled event in June
- Advising service provider that they are not providing services and we are not paying.
- This is in place in a lease we just signed, we will consider it for upcoming service contracts.
- Cancelled a number of venues for conferences.
- Due to supply chain issues out of China.
- We are currently reviewing our lease agreement to determine if this applies.
- All contracts.
- Agreement of sale.
- Yes, in two contracts, currently anticipating litigation.

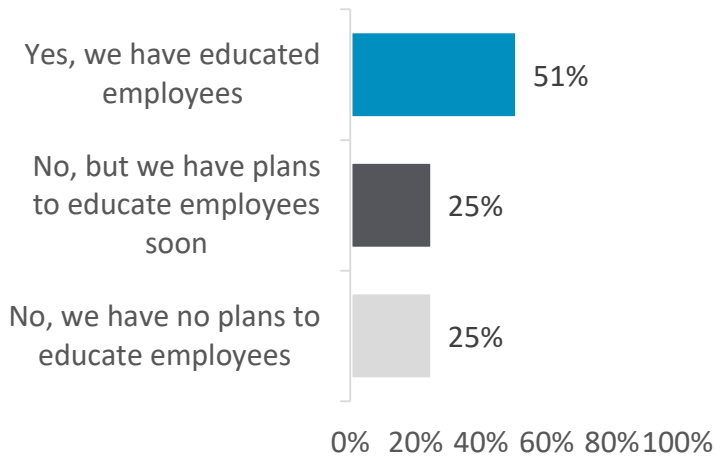
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CONCLUSION

Employers are dealing with unprecedented challenges from the rapid spread of COVID-19 as their employees face the risk of exposure while businesses attempt to continue operating. Our survey reflects the tip of the iceberg as businesses begin their response. We anticipate changes as more employees test positive and relief legislation from Washington and the ensuing regulations ripple through industries. Our goal is to continue to provide our valued clients with useful information to address critical COVID-19 workplace issues in real time.

13



Have you educated employees about the increase in coronavirus themed cyber-attack?