ENCONNEX

Born to Innovate

2021 Q4 Mid-Point Update

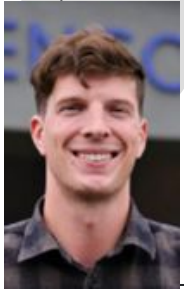Global All-Hands
November 4, 2021

ENCONNEX
Born to Innovate

Agenda

News - Robert
Product Roadmaps - PMs
Quality Topic - Robert
Q&A
Closing Comments

Happy Diwali

What's Happening at Enconnex?

News

New hires

Zach Wozniak - Engineering - Reno

Yifei Wang - Engineering - Shanghai

Big Wins!
54 DC Cabinets to DC Blox, new customer.
Northrop Grumman/DOD: 10, AC6K
Oracle: DefenseShield x2
Paypal: 100 welded custom racks for China
Paypal; locking power cords

Notices

Inventory is TOP priority for the next week or so.

Customer Satisfaction contest

Winners announced at the end of this meeting

PM and Engineering

Power - Roadmap

AC6000 next generation (no change from October)
- New battery selected for better safety factor and supply chain
- New controller design for much more features and space for future updates
- Expandable design for AC10K and for longer run battery
- Estimated Availability - Q3 2022
- Outsourcing some portions of the design to speed up the development

TAA PDU (no change from October)
- CSA selected for UL testing
- 10 models being developed to cover the wide range of North American circuits
- General availability Q1 2022

Power Cords (no change from October)
- Standard PVC available now
- TPE available in US now
- W-lock coming Q4 2021
- P-lock DELAYED till end-NOVEMBER (samples available in Reno now)

Real Device Testing - Roadmap

Fandoor for standard cabinets (no change from September)
- V5 to integrate the power cutoff switch into the door
- Estimated availability Q2 2022

DefenseShield 5G (no change from September)
- Covers to 40 GHz (Ka band)
- Replaces standard design
- General availability end of Q4 2021

Metro Cart (no change from October)
- Shelving system to hold variety size of testing devices
- Optional fan module to help heat dissipation
- Available for sale now

Mini Shield box (Update)
- 6U, 12U available for sale now
- 3U, 9U under design process
- 13U available end of Q4 2021

Connectivity - Roadmap

Reno manufacturing
- Trial production runs well with no major issues.

MPO patch cord option
- Cost effective version of MTP now available for the US
- EU MPO spec (LSZH) available soon

High-Speed Transceivers (no change from August)
- QSFP-DD technology supporting up to 400G available now.

Fiber-to-the-home (FTTH)
- FTTH investigation on-going.

Pricing adjustment for fiber cables to be officially released in December (30-day notice).
- Adjusted to accommodate tariffs imposed for all fibers and cassettes/panels.
- Mostly minor increase, but also some discounts from before.

Metal - Roadmap

Fully welded cabinet
- High static / dynamic loading (5000/4000 lbs)
- Seismic design to NEBS GR63, 1500 lbs
- Paypal cabinet release and launch for the region out of US. General availability Q2 2022
- US region supports customize, no standard offer.

Accessories cleanup (no change from Oct)
- New standard shelves (EOL old designs)
- Universal standard cable management (EOL old designs)
- General availability Q1 2022

Containment (No change from Oct.)
- HAC/CAC marketing launch Q4 2021
- Control box and lighting system launch Q2 2022
- Automatic door with access system launch Q3 2022

EdgeRack - Roadmap

EdgeRack 5M (UPDATE)
- Re-launched with new marketing collateral Q3 2021
- New replacement design for EdgeRack 5M with optimized design and better supply chain.
- Already started the 5kW cooling design
- Plan to finish 3D design on Dec and launch Q3 2022.

EdgeRack 3P (UPDATE)
- New GUI continue updating
- Marketing launched and Sales training end of Q3 2021
- General availability Q4 2021

Quiet EdgeRack (No UPDATE)
- Further investigation showed it is difficult to meet the target 45 dBA.
- Just hold on the quiet version.

Industrial EdgeRack 7kW(UPDATE)
- New platform, 800mm x 42U Cabinet, 7kW all-in-one Cooling, IP54.
- Further review the 3D design and design solution for cooling
- Plan to produce on Nov and launch Q2 2022.

Quality

Quality Policy
The Core of the QMS

ISO 9001:2015

A globally standardized and recognized platform for building a sustainable Quality Management System (QMS)

Why? - The four "C's"

1) Completeness
2) Consistency
3) Control
4) Quality

The Principles

Continual Improvement	Customer Satisfaction
	Quality Policy
Endless Innovation	Total Quality Management

CERTIFICATE

TÜVRheinland®
Precisely Right.

TUV Rheinland of North America, Inc.
295 Foster Street, Suite 100, Littleton, MA 01460

Hereby certifies that:

ΕϹ ENCONNEX®

Enconnex LLC
2700 Mill Street, Unit 400, Reno, NV 89502 USA

has established and maintains a quality management system for the

Design and Manufacturing of data center products including server racks and cabinets, UPSs, network cabling, power and containment to data centers, hyperscale customers, colocation facilities, engineering labs and enterprise edge customers

An audit was performed and documented in Report No 4778.
Proof has been furnished that the requirements according to

ISO 9001:2015

are fulfilled.
Further clarification regarding the scope of this certificate and the applicability of ISO 9001:2015 requirements may be obtained by contacting TRNA.

Certificate Registration No.

74 300 4778

Certificate Issue Date
October 21, 2021

Certificate Expiration Date
October 20, 2024

ANAB ACCREDITED · IAF

Certification of Management Systems

Reissue Date: 10/21/2021

CERTIFICATE

TÜVRheinland®
Precisely Right.

TUV Rheinland of North America, Inc.
295 Foster Street, Suite 100, Littleton, MA 01460

This appendix lists the sites certified under Certificate Number

74 300 4778, valid until **October 20, 2024**

For

Enconnex, LLC

CERTIFICATE NO. 74 300 4778/	SITE ADDRESS	ACTIVITIES RELATING TO:
00	2700 Mill Street, unit 400 Reno, NV 89502 USA	Sales, Design, Engineering, R&D
01	4670 Aircenter Circle Reno, NV 89502 USA	Manufacturing, Assembly, Test, Warehousing, Shipping, Receiving

This appendix is only valid in conjunction with the referenced certificate.

Reissue Date: 10/21/2021

ANAB ACCREDITED · IAF

Certification of Management Systems

QMS Status

Where are we in the process?

Quality is everyone's job!

Plan - till 2020 Q2
Hired Tim and then Ishpreet, set goals, organized the structure, identified responsibilities, and set timelines.

Do - 2020 Q3 through 2021 Q1
Create Quality Manual and all major procedures, review and audit those documents, identify and measure quality objectives, train, and review with management.

Check - 2021 Q1 through 2021 Q3
Internal audits of the processes that affect quality, corrective actions and risk analysis, adjustments, and 3rd party external ISO audit and certification to 9001:2015

Act - 2021 Q3 - 2022 Q3
Operate using the QMS, auditing and adjusting as necessary to continually improve. Focus on customer satisfaction, endless innovation, and total quality management. Confirm through re-audit.

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Repeat - 2022 Q4 and beyond
The Quality policy is exemplified each and every day in all facets of the organization and shows itself readily to all customers and prospects.

External Auditor Comments

No.	Process/Site	Positive findings
1	Engagement	High level of understanding and engagement in the QMS by all employees at every level of the company. Leadership takes ownership in the QMS and has a vested interest in its integration into the business and a driver of the strategy.
2	Training	Excellent addition in orientation training materials to specifically point out the role of driving quality and impacting the QMS for each specific position
3	CAPA	Very thorough Root Cause Analysis process that drives effective analysis and influences improvement opportunities

The following recommendations and opportunities for improvement provided by the auditor are intended to contribute to the continual improvement of the management system.

No.	Process/Site	Recommendations and opportunities for improvement
1	Documentation	Consider an on-going review of documentation to ensure that processes continue to reflect the actual procedures on the floor
2	Training	Consider creating training "take-away" documents to be used as quick reference guides and reminders of training content
3	Communication	Consider a review of documentation and procedures to identify areas with verbiage and lexicon that is specific to only Enconnex employees to ensure understanding by new employees or outside reviewers
4	QMS Overview	Consider creating a QMS overview roadmap document to be used in all types of audits (QMS, Customers, etc.) to navigate the various documents and records in the QMS for easy reference.

Enconnex Quality Objectives

Customer Satisfaction

Increase the number of customer engagements (Julie with assist from Sales and Ops)

Improve scores from customer satisfaction surveys (Julie)

Reduce the rate of customer complaints as a percentage of the number of SOs (Robert with assist from Ishpreet)

Reduce the average quote response time (Thane)

Reduce the average PO confirmation time (Thane)

Increase rate of on-time delivery as measured in relation to promise date (Thane)

Reduce RMA turn-around time (Thane)

Increasing employee satisfaction (Robert)

Continual Improvement

of course, everything throughout this list

Improve inventory accuracy (Thane)

Reduce cost of operation (Thane)

Reduce time to build (production) by product (Thane)

Endless Innovation

Increase the number of products available (Robert)

Decrease the time and cost to develop new products (Ben and Fancy)

Increase profitability (Robert)

Increase in IP value: Patents (Robert with assist from all)

TQM

Improve internal performance (FPY, CAPA, Complaints, NCR, IQC, OTD) arriving at a total performance score (Ishpreet and Tim)

Improve supplier performance (NCR, CAPA, OTD, Support, Service, Price) arriving at a total performance score (Ishpreet and Tim)

Quality Objectives - Status

Number defined: 17
Number detailed: 9
Number met: 4

Highlights:
- **Marketing driven customer engagement way up!**
- **Quick operational and sales response time (from what we can see)!**
- **Strong sourcing side cost savings!**

Lowlights:
- **Not enough clarity**
- **Lots of manual data entry and analysis**
- **Too many supplier nonconformities, though this is improving**
- **Shipping damage incoming and outgoing leading to lower profitability and reduced customer satisfaction**

Next Step:
- **Engage everyone through OKRs into the Quality Objective targets - starting Q1**

Customer Satisfaction Contest

$ Contest $

- What does "Customer Satisfaction" mean to you?
- Cite an example of someone (or yourself) going above and beyond for customer satisfaction.
- Describe one way in which we can improve that will result in higher customer satisfaction.
- Submit your entries in writing / email to me directly.
- Deadline of October 31.
- Everyone can play.
- Top 3 answers awarded $1000, $500, $250 Spot Bonus!*
- Winners selected by a panel of the leadership team.**

*Spot bonus is paid on the next paycheck and is subject to applicable taxes.
** Tarun, Julie, Thane, Robert

Ishpreet Sahani

Customer satisfaction means going above and beyond ... providing assistance or resolving issues in a positive manner.

Komal Parab

Be **PROUD**
Prompt response
Requirements clear
Options provided
Updates continually
Delivery executed

Dave Bercovich

Say what you will do, and do what you said.

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Thank You!