

Business Continuity Awareness Training

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THE CONSULTING GROUP AG

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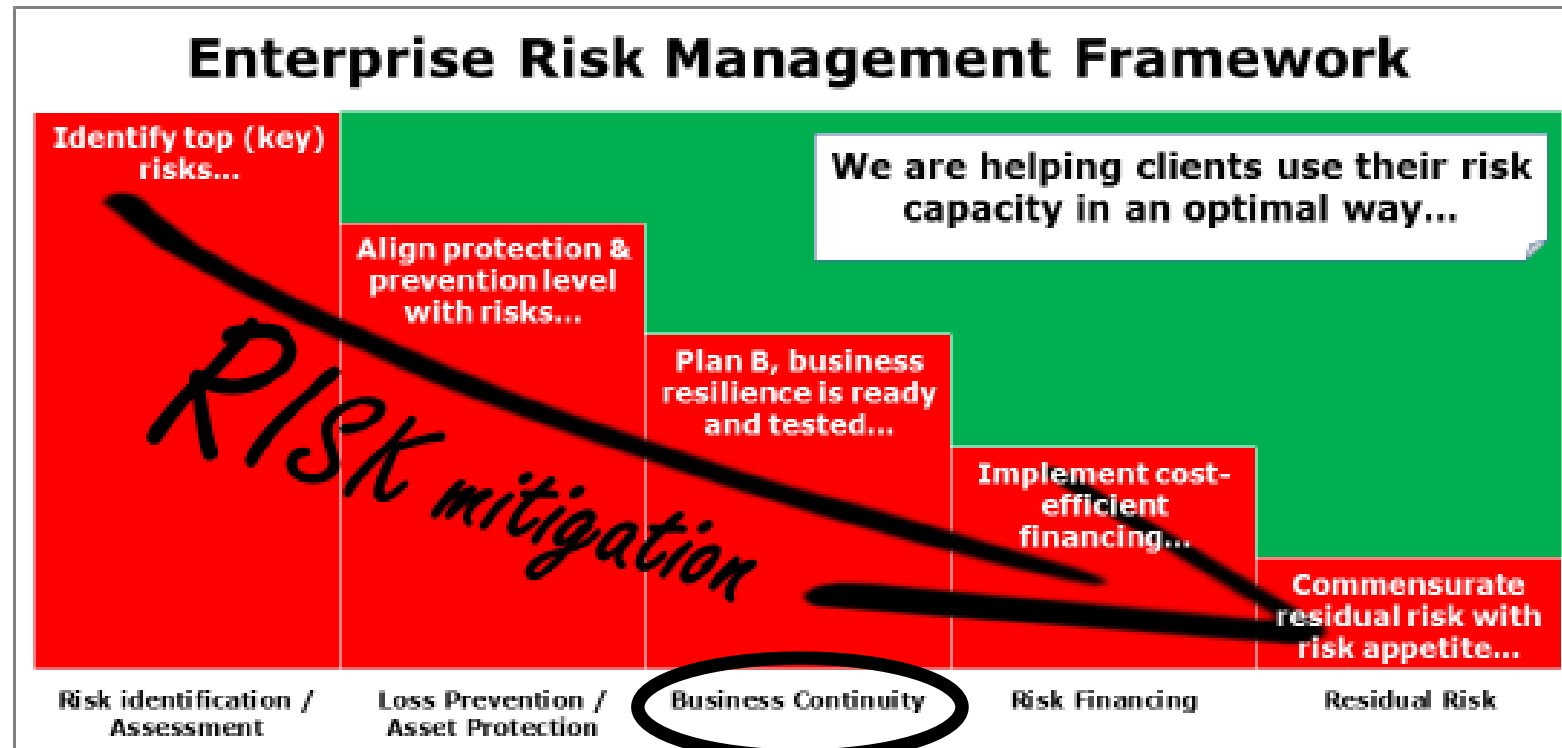
SINGAPORE/JAKARTA/MANILA/KUALA LUMPUR

BCM Awareness Training Objectives

- To stress the importance of Business Continuity Management
- To explain what BCM is and how to use it in practise

Our vision...

...is to assist you in achieving your objectives and protect your assets.



2017 @ The Consulting Group AG (TCG)

What you could face and that's not all...

- Compliance (reputation, internal controls, etc.)
- External events (political, social, etc.)
- F&B Laws (compliance, changes, etc.)
- Financial (currency, liquidity, counterparty, etc.)
- Human resources (knowledge, skills, etc.)
- IT/IS (breakdown, failure, attacks, etc.)
- Operations (quality, safety, procurement, etc.)
- Regulatory & legal (litigation, fiscal environment, etc.)
- Sales & Marketing (competitor, customer, consumers, etc.)

Some crisis 2009 – 2016 (examples)

- Dam breakage Brazil/Indonesia/Guatemala/Hungary/Spain
- Earthquake (Tsunami) in Chile/Haiti/Japan/New Zealand
- Flood/Storm in Australia/Colombia/Slovakia/Pakistan/Philippines/Thailand
- Food & Mouth Diseases in Korea/Japan impacting Australia
- Human Pandemic / Ebola / Zika
- Political riots in Bahrain/Egypt/Ivory Coast/Libya/Mali/Syria/Thailand/Tunisia
- Political sanctions in Iran/Syria/Zimbabwe
- Volcanic eruption in Ecuador/Indonesia/Mexico
- War in Syria/Iraq
- ... not to mention the events like fire, accidents, etc.

Don't think that the worst only happens to the others !

UK London : April 2009

- Head Office in Hammersmith
- Fire in the electrical substation on the roof resulting in a total loss of power to the building
- Temporary infrastructure was installed in May 2009
- Full services were restored in July 2010.



Don't think that the worst only happens to the others !

China : June 2008

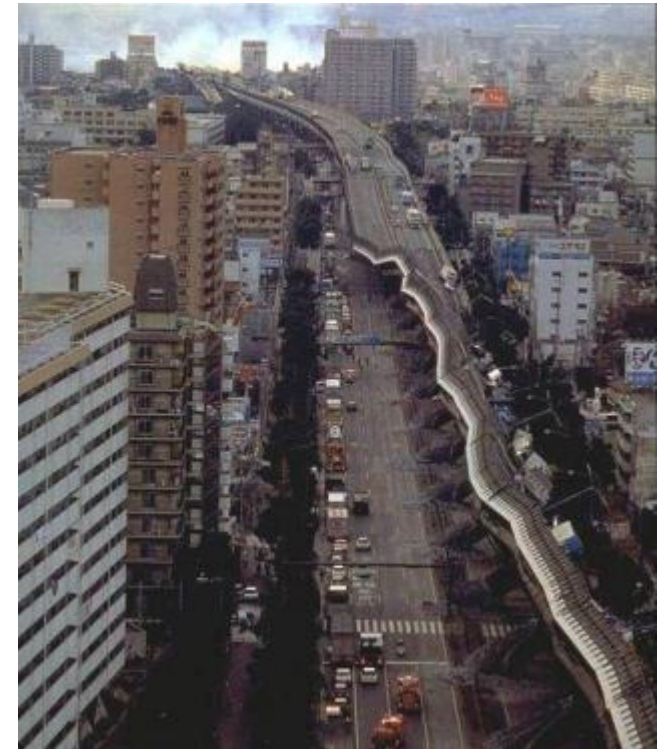
- Coffee plant, heavy rainfall
- Between 15 to 21 days of total outage depending on production lines
- Total damage : > 5 mEUR.



Don't think that the worst only happens to the others !

Japan : September 1995

- Nestlé Head Office
- Several months partial outage
- **Sales according to plans...!**



Don't think that the worst only happens to the others !

Thailand : April 2010

- Nestlé Head Office
- 10 Weeks total outage
- **Sales according to plans...!**



Don't think that the worst only happens to the others !

Thailand / Egypt : 2015

- Coffee factory
- Water factory
- **Long interruption due to cleaning / replacement time...!**



BCM Awareness Training

- Is OUR business prepared for the worse?
- How long can our business cope without access to our premises?
- How long can our business survive without power, a phone line or computers?
- Would we be able to run our business with only 50% of our workforce?
- What would happen to our business if we lost access to our information and applications?

BCM Awareness Training

WHAT is BCM all about?

Process

**Business owned
&
Business driven**
↓

Business Continuity Management (BCM) is a business-owned, business driven process that establishes a fit-for-purpose strategic and operational framework that:

Proactively improve
↓

- Proactively improves an organization's resilience against the disruption of its ability to achieve its key objectives;

**Resilience against
disruption
&
Rehearsed method
of restoring**
↓

- Provides a rehearsed method of restoring an organization's ability to supply its key business processes, products and services to an agreed level within an agreed time after a disruption; and

Proven capability

- Delivers a proven capability to manage a business disruption and protect the organization's reputation and brand.

BCM Awareness Training

WHY is BCM important? Research has shown that:

- 90% of businesses that lose data in an emergency close within two years
- 80% of businesses suffering a major incident close within 18 months if they have no effective BCM plan
- 58% of UK businesses were disrupted in some way by the events of 11 September 2001, with one in eight companies being seriously affected
- Nearly 1 in 5 businesses suffer a major disruption every year

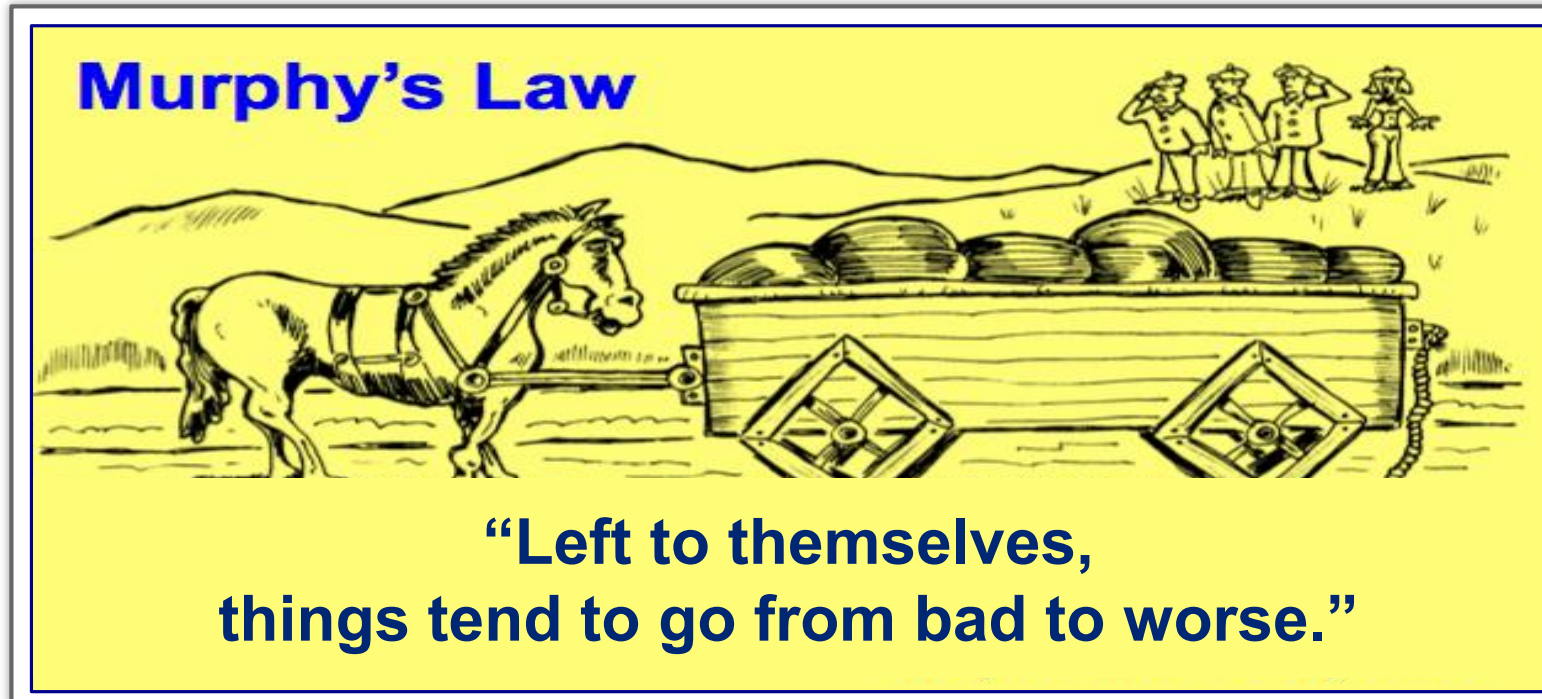


Effective BCM planning helps us to:

- Protect our business and reputation
- Solve potential disruptions in advance
- Increase the knowledge of our staff
- Have a competitive advantage in a crisis

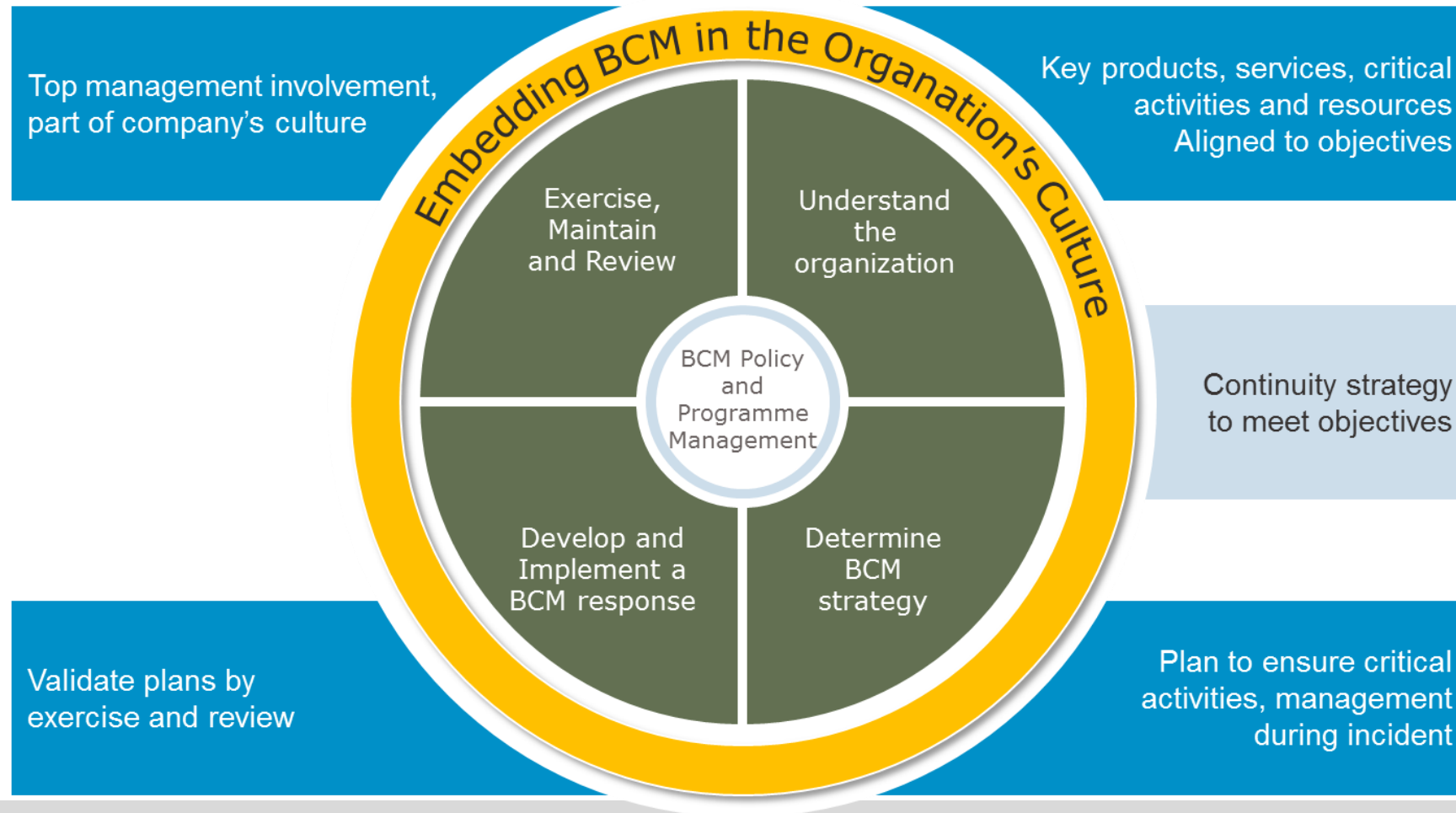


Business Continuity Management (BCM)



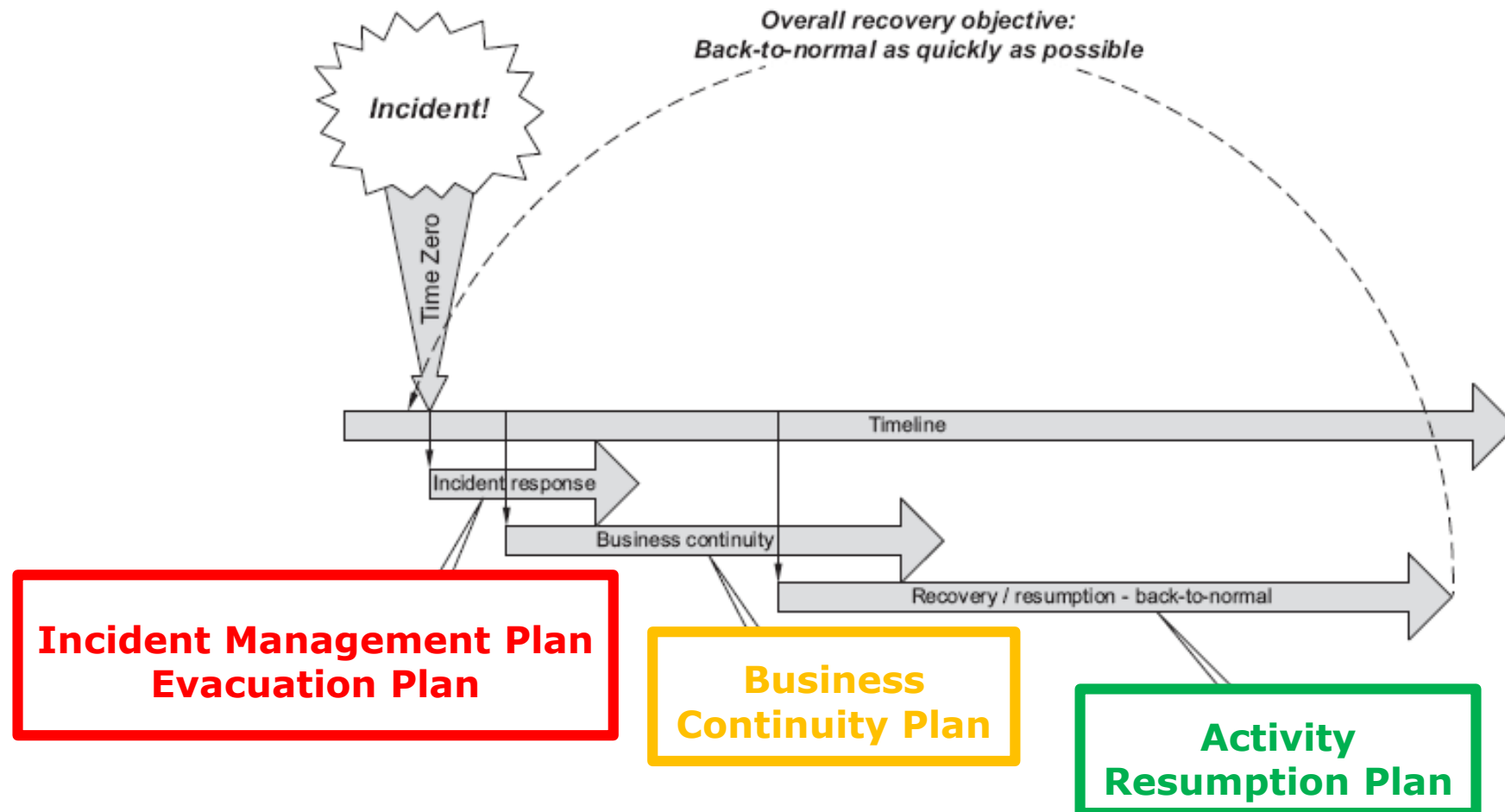
... therefore we better have a “Plan B” ready to reduce the impact of an unexpected event.

BCM Lifecycle based on global Standards (BS 25999)



BCM Awareness Training

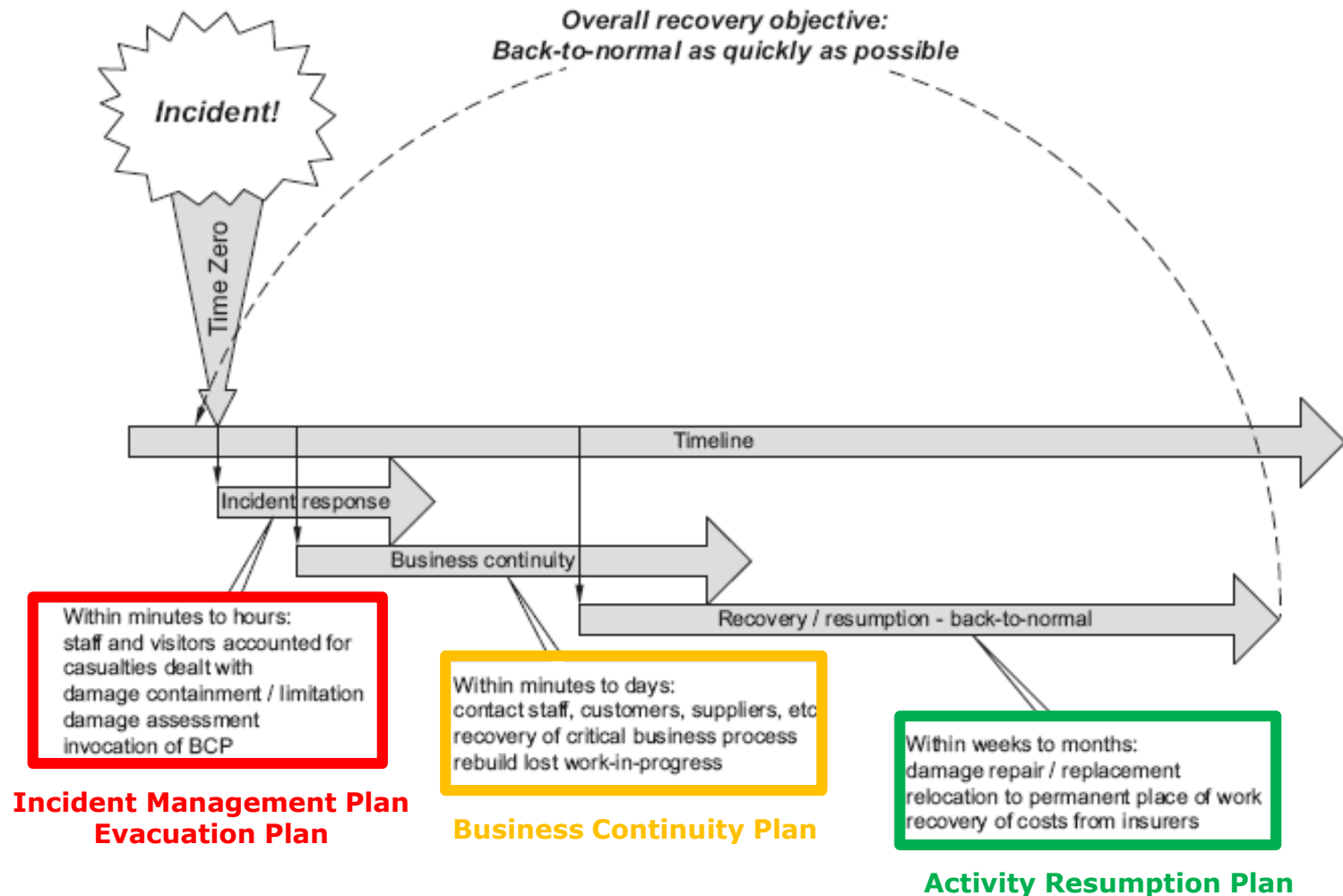
Three main phases of an incident



BCM Awareness Training

Three main phases of an incident

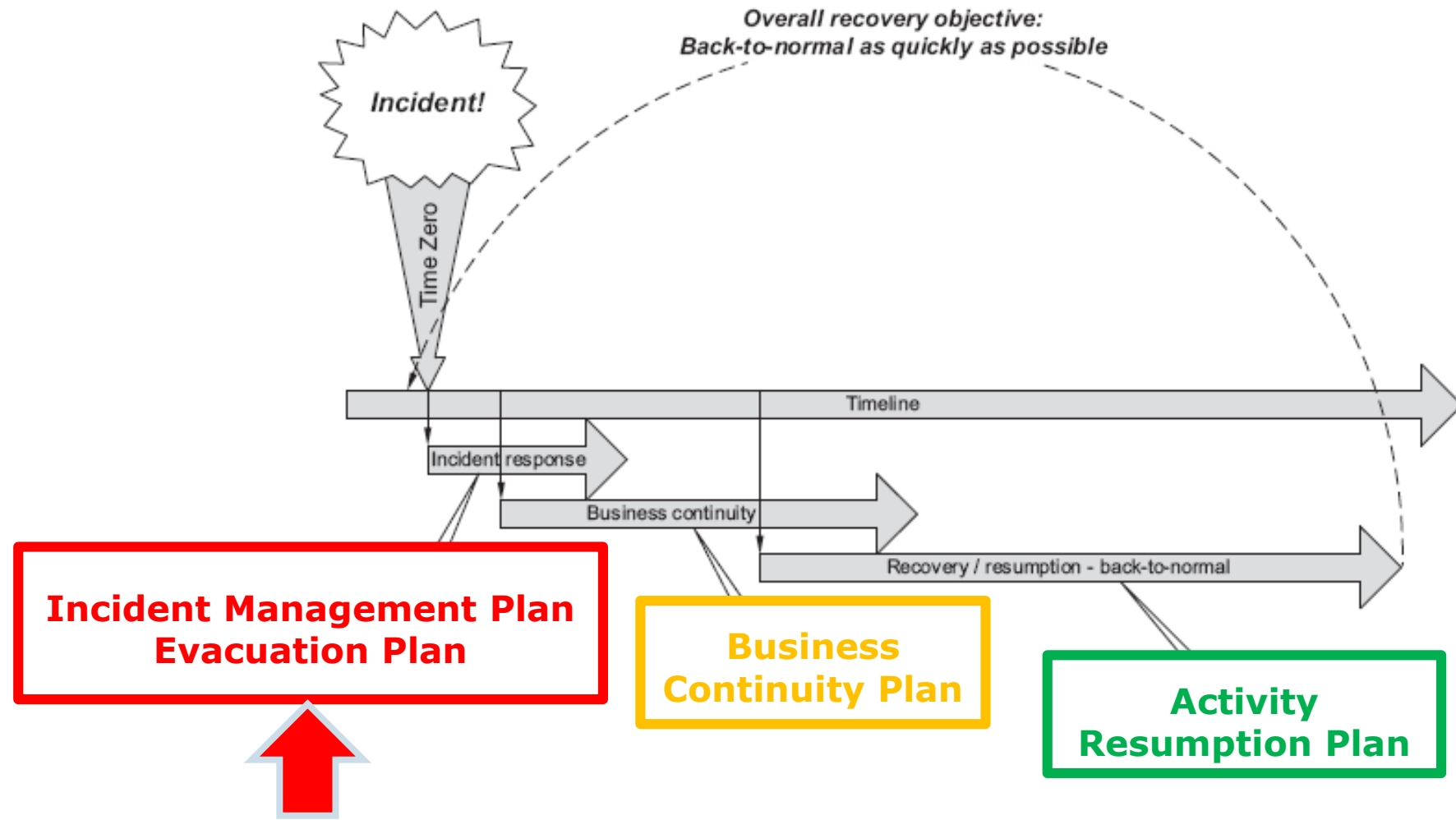
Incident
Response
↓
Business
Continuity
↓
Business
Recovery



Agenda

- Objectives
- Introduction to Business Continuity Management
- Q&A

BCM Awareness Training



BCM Awareness TrainingThe Incident Management Team (IMT)

- Will be assembled to address emergency or incident situation
- Provides direction and coordination of response to an emergency or incident situation to minimize negative and traumatizing effects
- Provides caring assistance to those directly involved in the situation and to staff, employees and family members affected by it

BCM Awareness TrainingThe Incident Management Team (IMT)

The Incident Management Team (IMT)

IMT Leader:

- **Chief Financial Officer** or designee;
Senior Financial Controller as backup

IMT Members:

- **General Counsel**
- **Human Resources Manager**
- **Executive Assistant** or designee; **Assistant**

BCM Awareness TrainingThe Incident Management Plan

The **incident management plan** defines:

- Specific actions to undertake in case an emergency or incident situation occurs
- Emergency contact list for employee notification (call trees and personal contacts)
- Plan does not cover every conceivable situation
- Plan does supply basic guidelines necessary to cope with most emergencies or incidents

BCM Awareness Training

The Incident Management Plan

- Emergency notification
- Dealing with events such as...
 - A disrupted work environment
 - A bomb threat
 - Civil protest
 - A fire / explosion, etc.
- Evacuation

BCM Awareness Training

Emergency Notification

Incident situation during business hours

- Staff aware of incident to notify IMT Leader
- Notification of all staff, employees and visitors as follows:
- By assembling everybody

Incident situation outside business hours

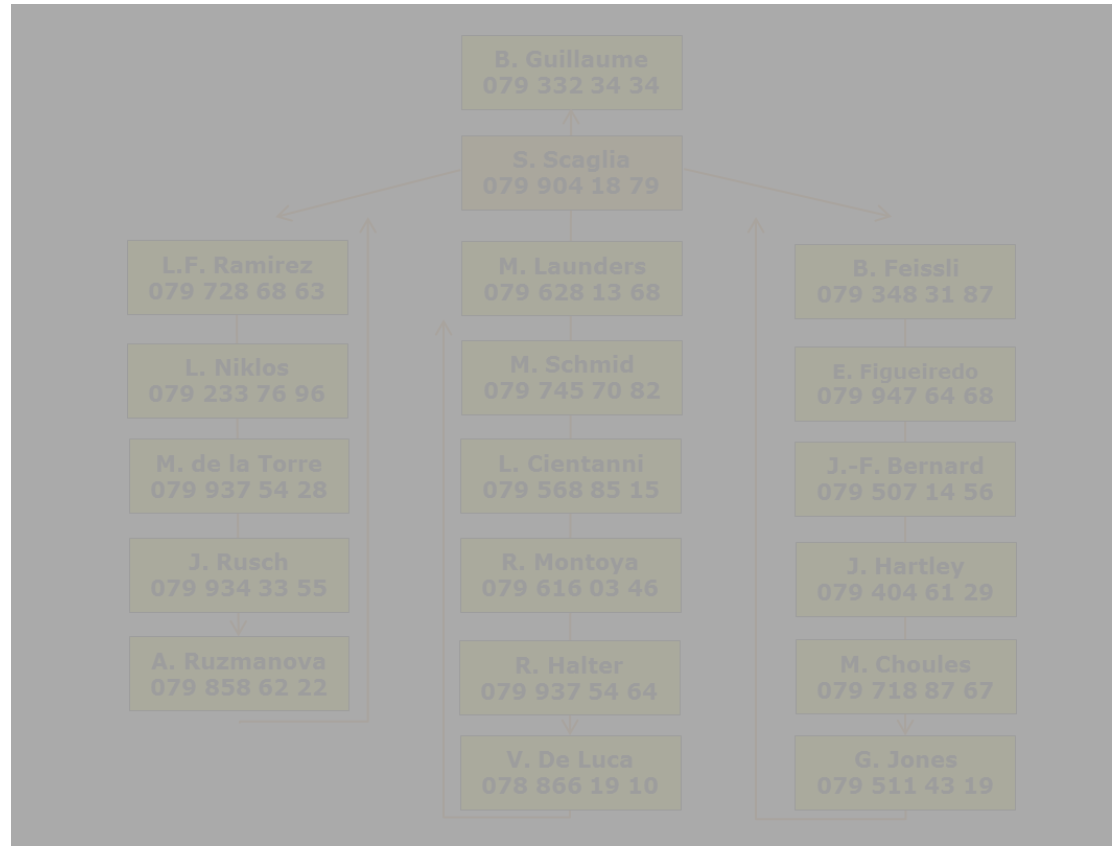
- Use call tree (see next slides)

BCM Awareness Training

Emergency Notification

Emergency Call Tree – Example

In case of any emergency please call the CFO who will activate the call tree



Updated
December XXXX

Last employee in the line to call CFO as confirmation

Interns, contractors, short term employees are not included; responsible line manager will call them separately

If next person is not reachable please send a text message and jump to the next person to call

BCM Awareness Training

Disrupted work environment

- The Incident Management Team will deal with a disrupted work environment
- Work at home

BCM Awareness Training

Dealing with a fire / explosion

IMMEDIATE ACTION

- Extinguish only if you can do so safely and quickly.
- Get out of the building as quickly and calm as possible.
- Call emergency services (**FIRE DEPARTMENT**) by dialing to report the incident, from a safe location, as soon as possible.
- Inform the IMT so that they can assemble, evaluate the situation and take the necessary actions.

Police
Fire Department

1 1 7
1 1 8

Ambulance Emergency Call
Toxic Emergencies

1 4 4
1 4 5

BCM Awareness Training

Dealing with a bomb threat

- Receipt of suspect package, unattended package/case/box, bomb threat by phone, bomb threat by mail/fax/e-mail/voicemail

IMMEDIATE ACTION

- **REMAIN CALM**
- Specific actions depending on issue:
 - **MAKE NO ATTEMPT TO OPEN IT OR MOVE** package and leave room and close door – prevent other people enter room.
 - Alert colleagues of incident or keep caller on phone and gather information
 - Do **NOT DELETE MESSAGE**
- Notify the **POLICE**
- Inform the IMT immediately

Police
Fire Department

1 1 7

1 1 8

Ambulance Emergency Call
Toxic Emergencies

1 4 4

1 4 5

BCM Awareness Training

Dealing with a civil protest

- Peaceful, Non-Obstructive Protest, Non-Violent, Disruptive Protest, Violent, Disruptive Protests
- In case injury to persons or property is occurring or about to happen:

IMMEDIATE ACTION

- IMT needs to evaluate situation and determine actions. If required:
 - Generally, peaceful protests should not be interrupted
 - Ask protestors to leave or to discontinue the disruptive activities.
- Notify the **POLICE**
- Deal with a disrupted work environment

Police
Fire Department

1 1 7

1 1 8

Ambulance Emergency Call
Toxic Emergencies

1 4 4

1 4 5

BCM Awareness Training

Evacuation approach

Safety Monitor	Receptionist
Backup	Executive Assistant

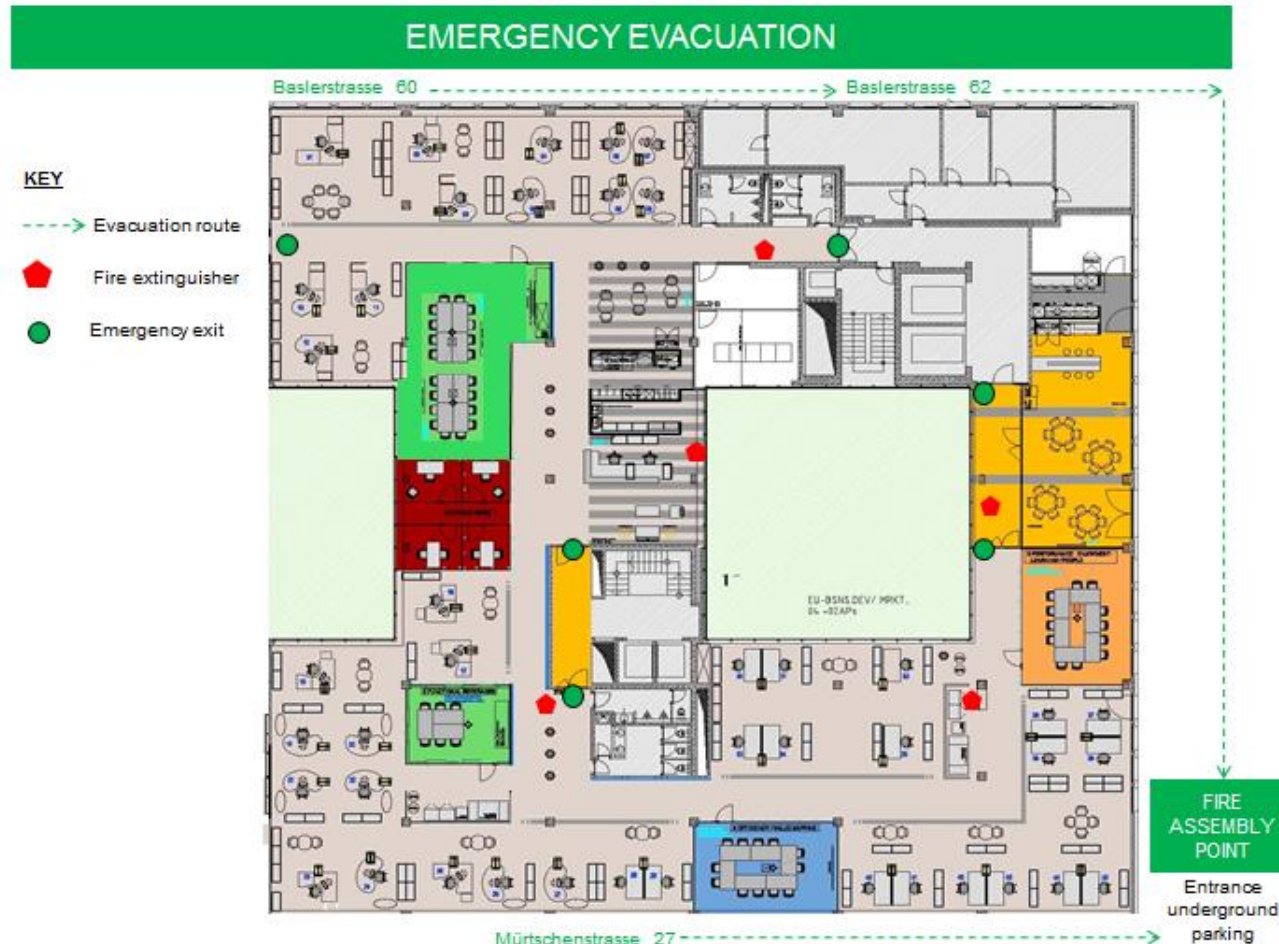


Safety monitor:

- Knows locations of office & building exits
- Knows where fire extinguishers are located
- Knows how fire extinguishers are working
- Periodically inspects their working area for safety

BCM Awareness Training

Emergency evacuation



The Emergency evacuation board is placed on every exit door (marked with a ●)

BCM Awareness Training

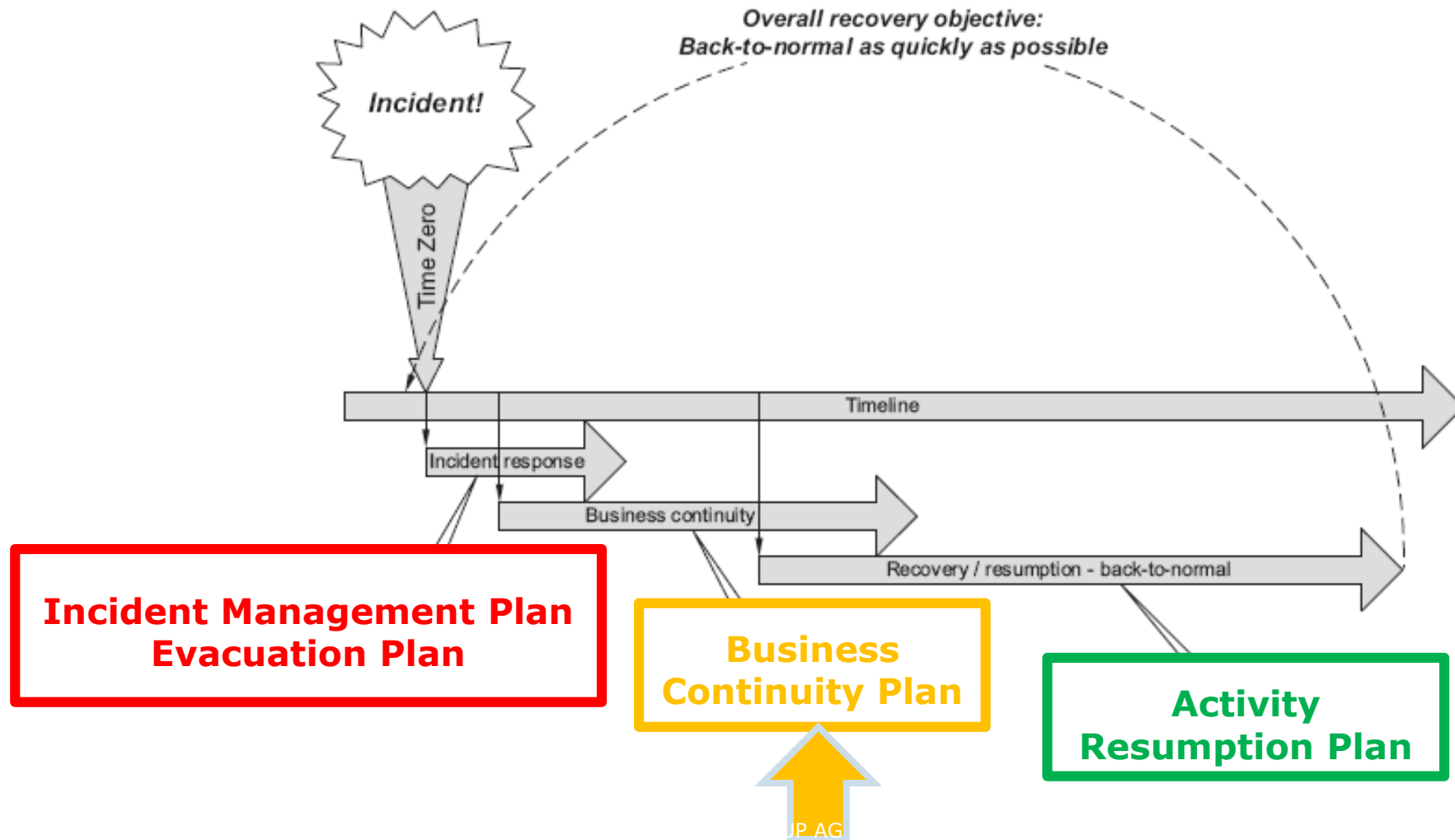
Assembly point



Assembly point 1: the entrance & exit of the Baslerpark building underground car parking.

BCM Awareness Training

Business Continuity Plan



BCM Awareness Training

The Business Continuity Plan

The **business continuity plan** defines:

- The scope and objectives
- Talks about principles of developing & implementing the Business Continuity Management response
- Specific actions to undertake following an emergency or incident situation to be able to resume business processes
- Everybody from the management and incident management team needs to understand the defined approach and plan...

BCM Awareness Training

Key requirements for an effective response are:

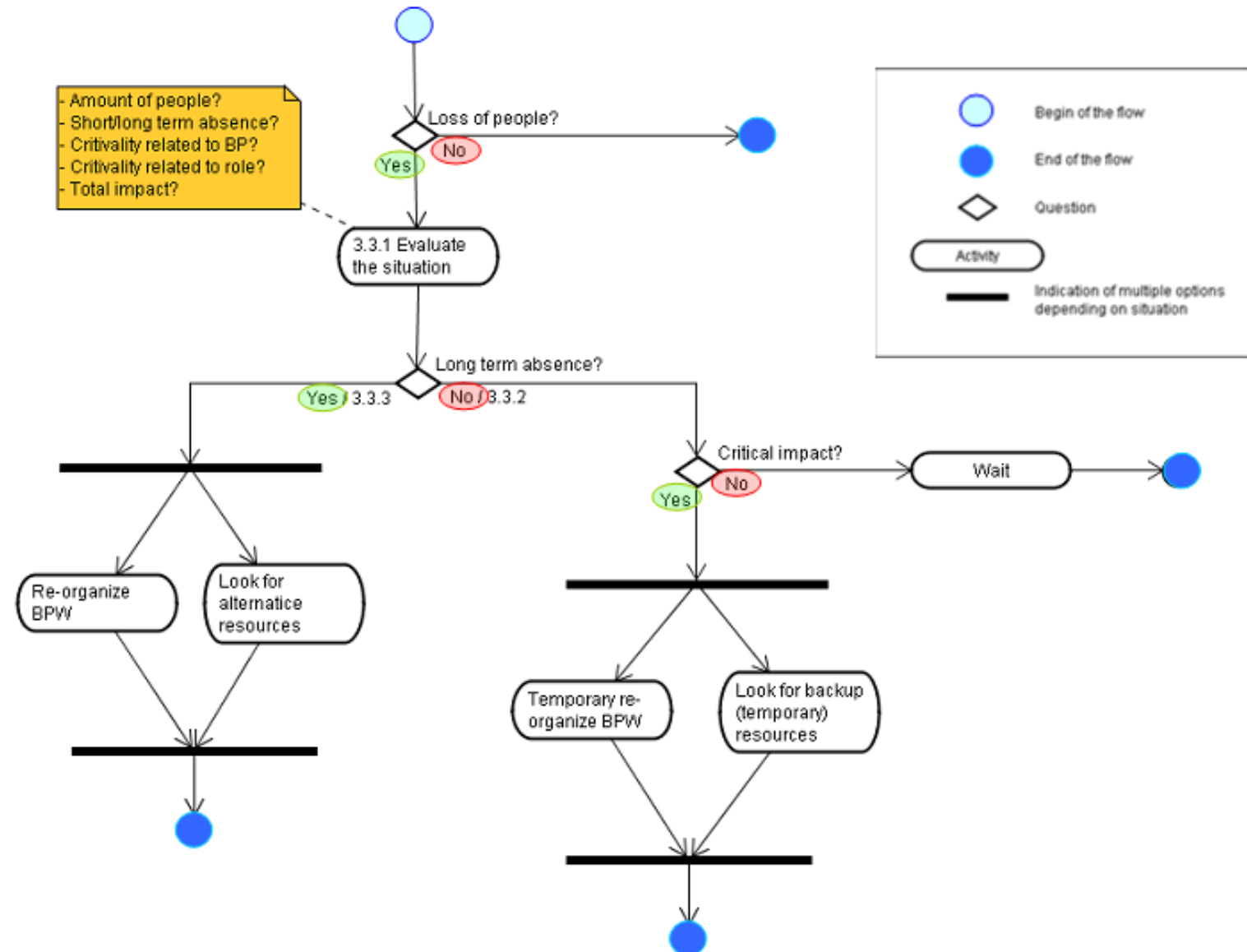
- A clear procedure for escalation and control of an incident
- Communication with stakeholders
- Plans to resume interrupted activities

Critical business processes identified during BIA:

Finance	<ul style="list-style-type: none">• Incoming Invoice Handling• Expense Report Handling• Reporting Process• Commercial Finance Activities
HR	<ul style="list-style-type: none">• Payroll

- These **critical** business processes are allowed to be resumed within **2 days**
- Other **business processes** are allowed to be resumed within **5 days**

BCM Awareness Training People



Connectivity Following TCCC IT procedures

Head office :

- Local network available available for employees.
- Visitor wireless (iGuest) available with code (obtained from any TCCC office/helpdesk).
- What if the Head Office is inaccessible?
- You are still able to connect to the company network remotely and can make use of example...:
 - E mail
 - Q-drive (with VPN)
 - TCCC intranet (with VPN)

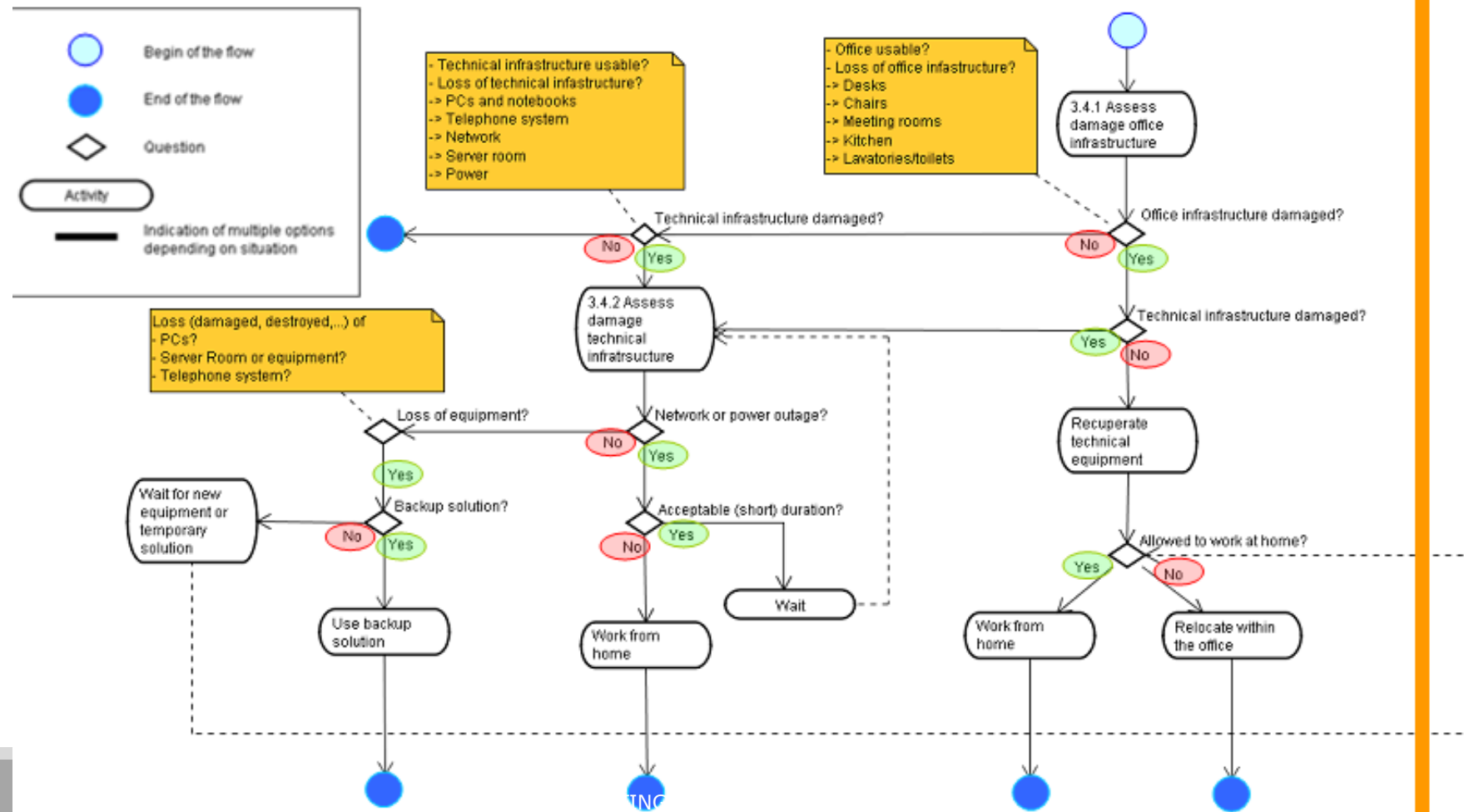


Training to connect remotely available on the Intranet:
<https://companywebsite.com/training/BCM>



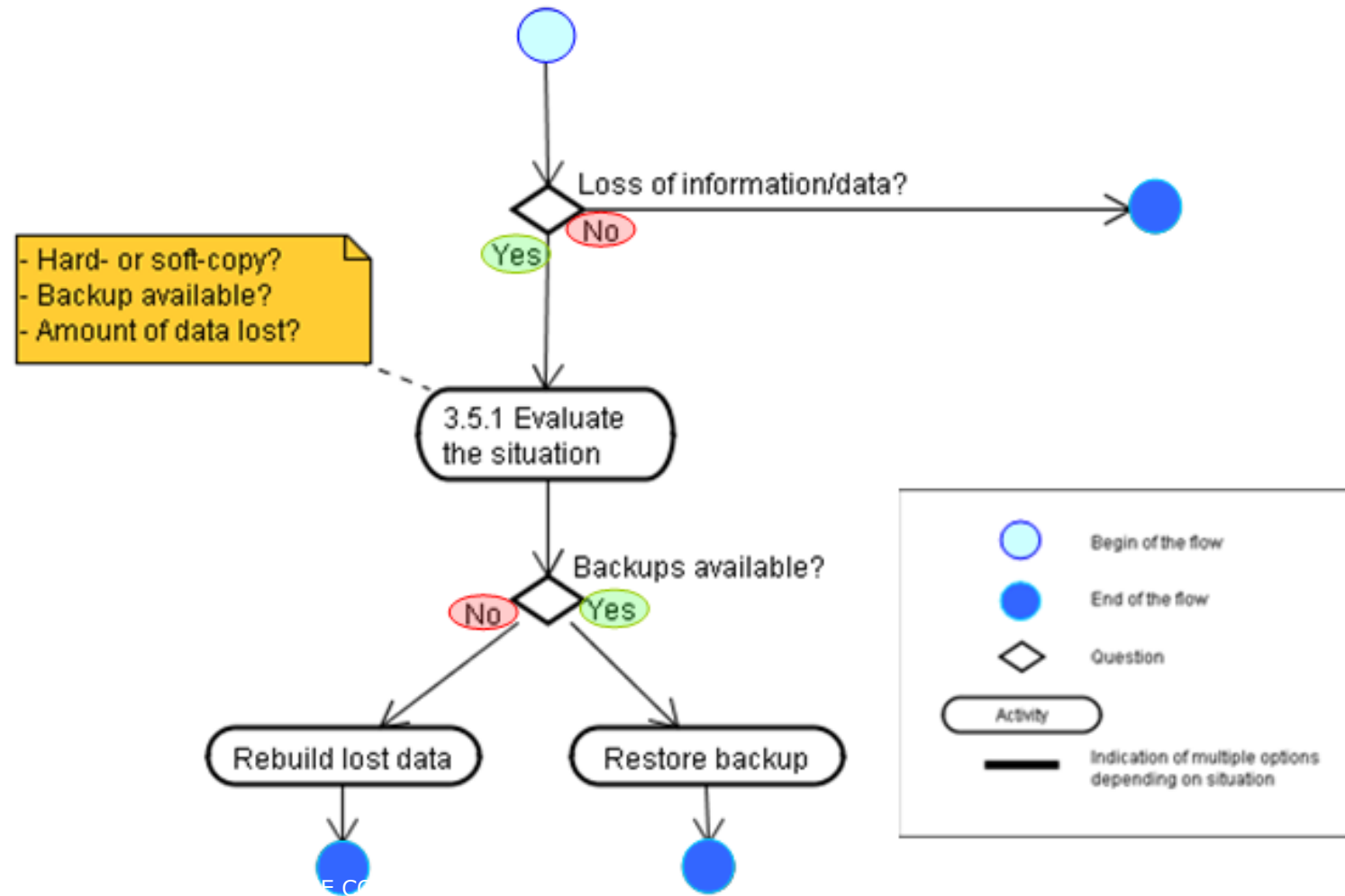
BCM Awareness Training

Infrastructure (tech/office)



BCM Awareness Training

Information / Data



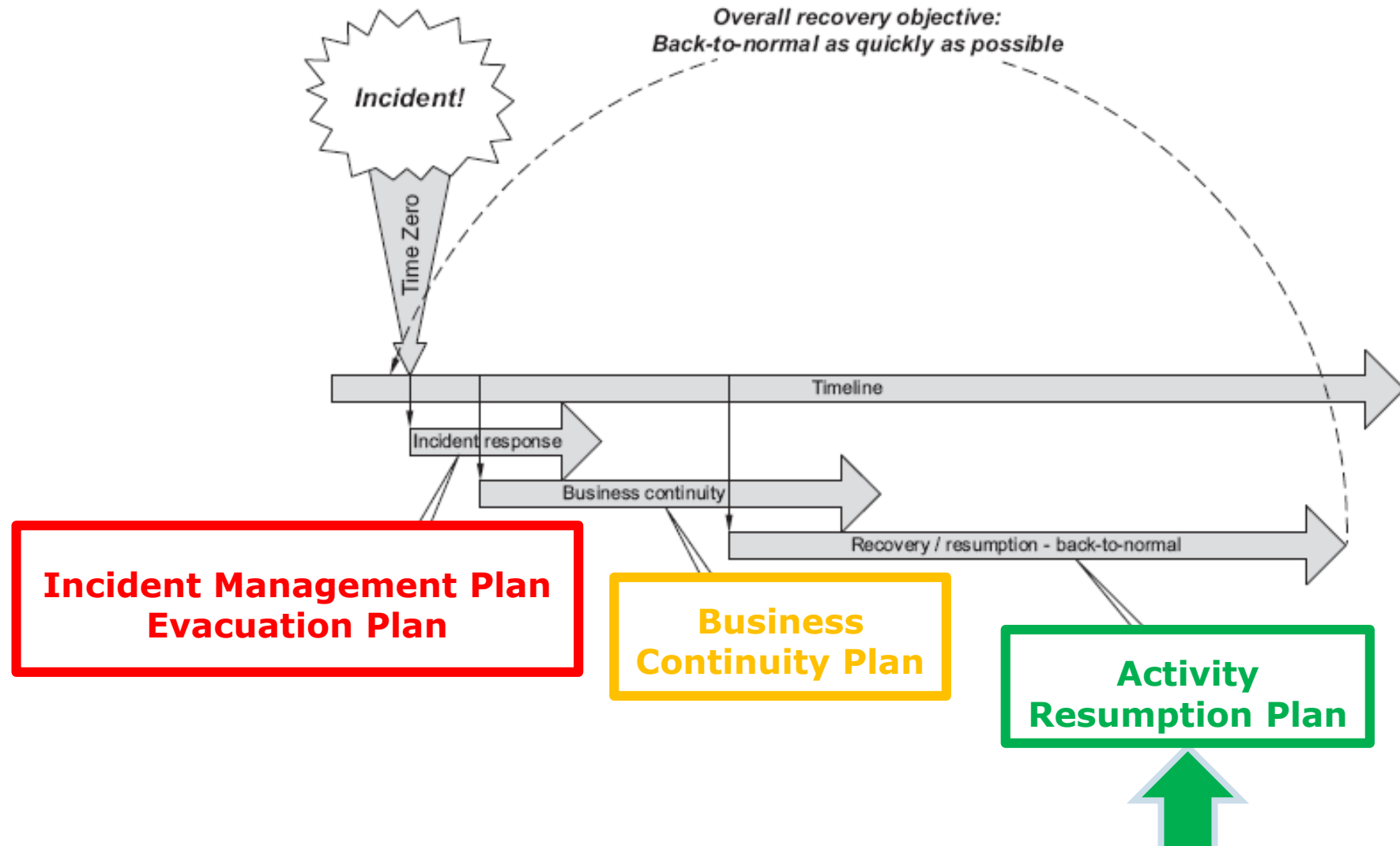
Example BCP – Finance

Overview of key processes

Business Process	Short description	Dept. Head	Resp.	Backup person	Frequency	Impact unable to perform	Time after which impact shows	Comment		
Business plan	Develop, build, coordinate and manage the BPW BP (financials)	CFO	CFO	Fin. Control.	Yearly	High	> 1 week			
Commercial Finance	Value chain analysis, value sharing agreements, efficiency review		Comm.Fin. Mgr		Fin. Control.	Monthly	Medium	> 1 week		
	By project, bottler, customer, brand. Performance analysis and projection					Monthly	Low	N.A.	N.A.	
	Overall BPW/Bottler profit sharing + 10 year DCF aseptic funding support					Ad hoc				
Actual closing	Process of month-end closing.			Fin. Control.		Comm.Fin. Mgr	Monthly	Medium	> 1 week	To be stored for 10 years.
Reporting	To provide several financial reports to Nestlé.									
	Volume report to the Board (sales actual); Rolling Estimate forecast for the year); Central DME and OPEX.									
Expense Report	Receipt and control of the incoming expense statements and attached receipts.		Weekly							
VAT	Swiss Group VAT filing for BPW S.A.									
Incoming Invoices	Processing of incoming invoices. Monitor work done by IRL.		Quarterly						N.A	
Accruals	Handling BPW Europe Marketing / OPEX Accruals									
Requests	Formal request of authorization CAPEX + consulting services expenses		Daily				> 1 day			
Voucher submission	Update of Zone central budget forecast		Monthly		Low		N.A.	N.A.		
Internal Controls	Specific internal control assessment to check on policy violations, processes, etc.		Ad hoc							
Personnel	Objectives, development plans, training schedules, etc.									
SAP	Power user SAP R/3 for Procurement and BWH									
	Vendor creation (Word template, e-mail, Lotus Notes to SAP)									

BCM Awareness Training

Activity Resumption Plan



BCM Awareness Training

Scope and Objectives

The **activity resumption plan** defines:

- Talks briefly about the **principles** of developing & implementing the Business Continuity Management response
- **Specific actions** to undertake following business continuity, to be able to go back to normal
- This **plan is the most abstract** of the three related to developing and implementing a BCM response, since everything will depend on what emergency or incident exactly happened
- Everybody from the management and incident management team needs to **understand the defined approach and plan**

BCM Awareness Training

Understanding

The **activity resumption plan** defines:

- Everybody from the management and incident management team needs to **understand the defined approach and plan**
 - **Premises:** Damage to the premises will be repaired in collaboration with the landlord
 - **People:** Depending on the situation, the CEO, top management and IMT may need to rebuild the organizational structure
 - **Infrastructure** (Office/Technical): In most cases new infrastructure equipment will be required in order to have a suitable a workplace
 - **Information/data**

BCM Awareness Training

Premise

The **activity resumption plan** defines:

- **Damage to the premises** will be repaired in collaboration with the landlord
- If the premises are completely destroyed, depending on the exact damage (building and/or office), the CEO, top management and IMT need to decide to **relocate to a new location**
- **Responsibilities** related to premises:
 - Landlord owns/manages the building/office
 - Finance manages insurance contracts
 - Finance manages the service provider contract

BCM Awareness Training People

The **activity resumption plan** defines:

- Depending on the situation, the CEO, top management and IMT may need to rebuild the organizational structure
- In case new resources are needed, HR will assure the right skills are available by:
 - Hiring new people
 - Looking for replacements from other BPW locations, Nestlé or TCCC
 - Introduce new people and replacements to the organization and assure they are trained properly
- Resumption can also mean that temporary resources have to do a knowledge transfer and will leave the organization

BCM Awareness Training Infrastructure

The **activity resumption plan** defines:

Office infrastructure

- In most cases new infrastructure equipment will be required in order to have a suitable a workplace

Technical infrastructure

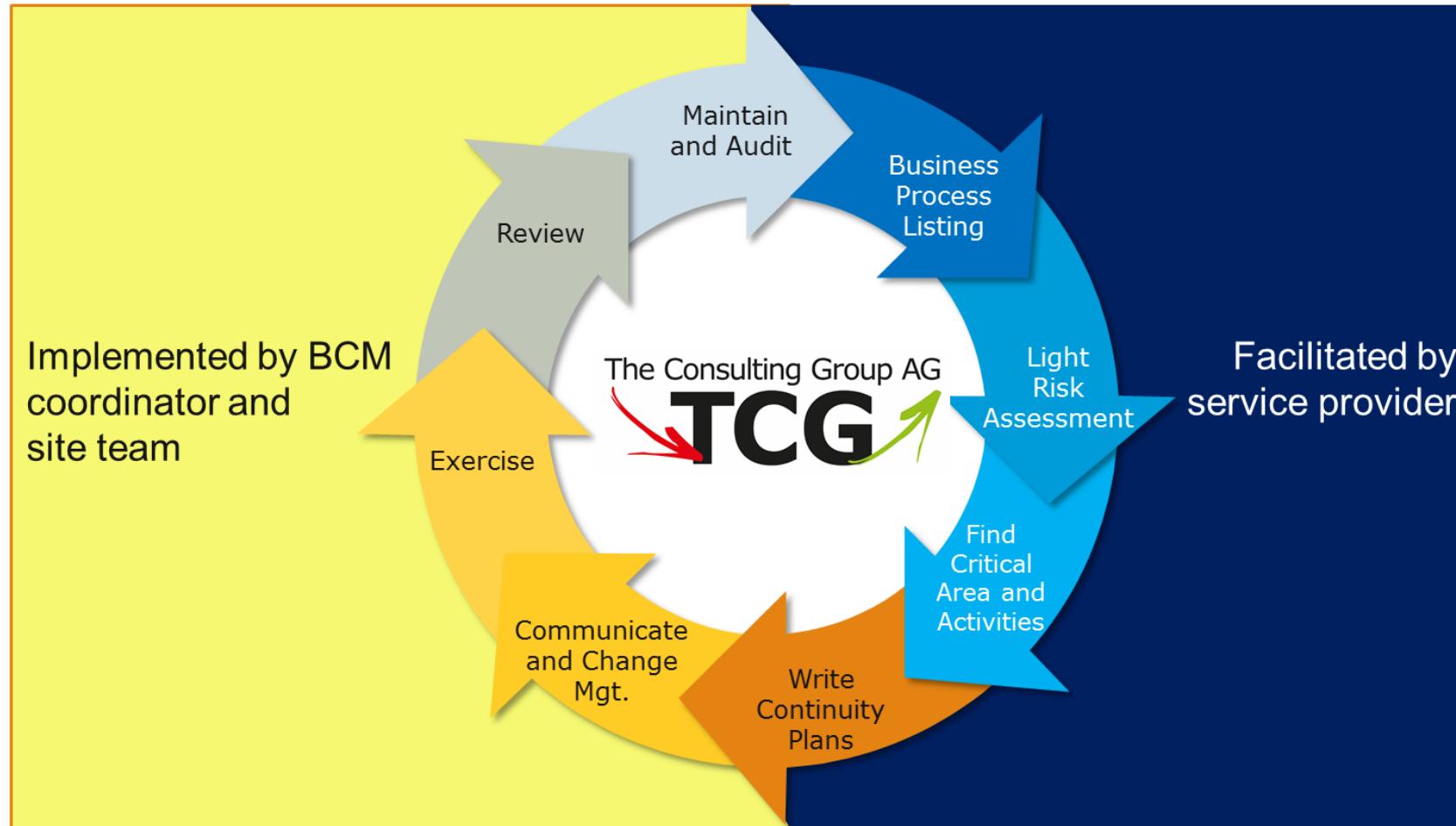
- As indicated in the Business Continuity Plan, damage to the technical infrastructure can be many things
- For most of these incidents already a final solution has been provided during Business Continuity
- Responsibilities related to infrastructure:
 - Finance manages service provider contracts
 - Finance manages insurance contracts

BCM Awareness Training Information/data

The **activity resumption plan** defines:

- Depending on the situation, resumption activities have probably already been done while executing the Business Continuity Plan

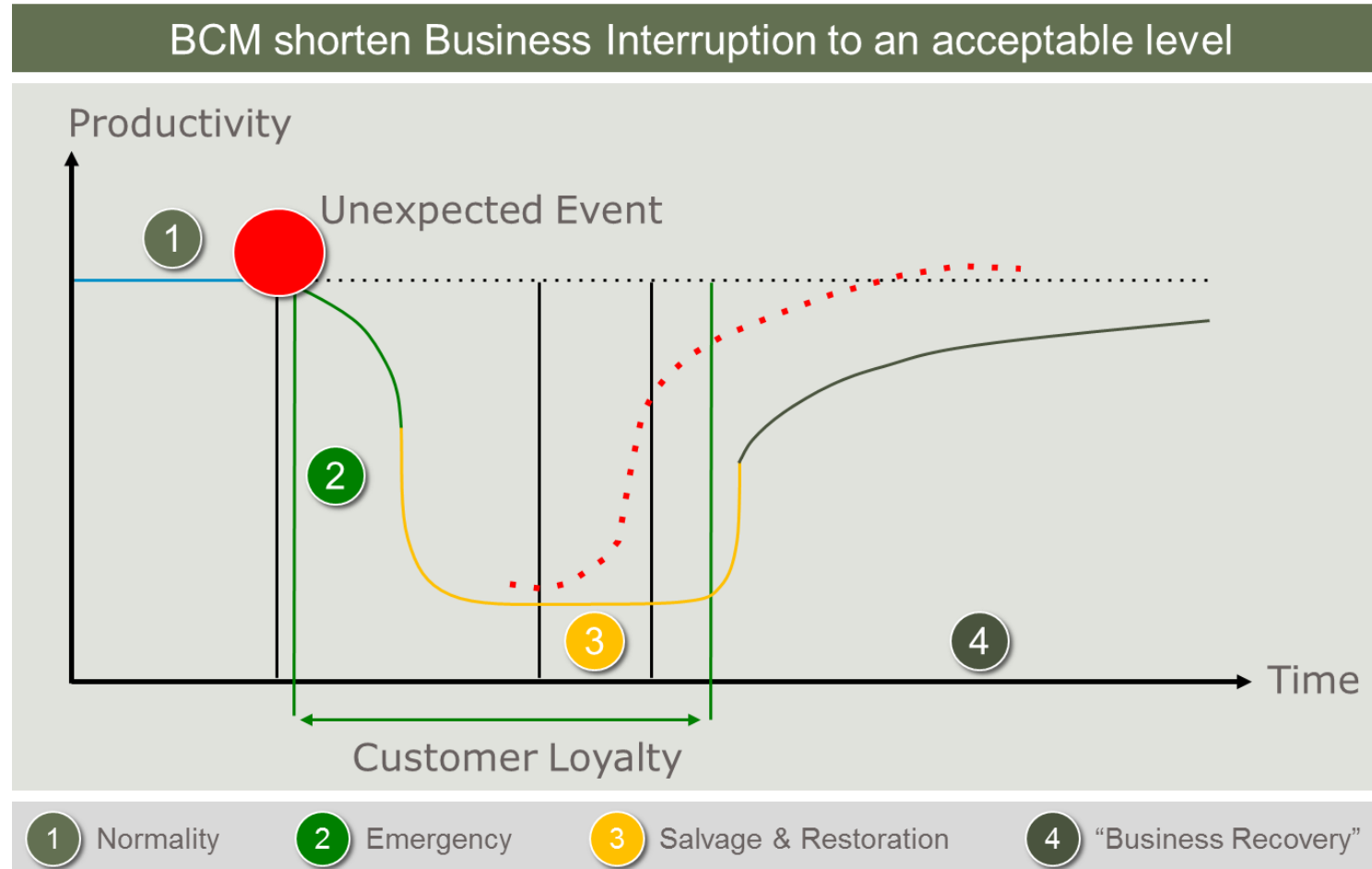
BCM Lifecycle



What does BCM include ?

- Identifies / quantifies risk exposures that could affect business objectives.
- Understands processes and dispel myths.
- Highlights departmental / functional dependencies and single points of failure.
- Increases intervention speed / resilience to key threats.
- Improves communications at all levels, both inside and outside the organization.
- Supports market share and brand reputation in case of a major crisis.
- Represents a competitive advantage with key customers.

Benefits of BCM



BCM Template

- Cover page
- Team
- Overview
- Introduction
- RTO Definition
- Industrial Services Worksheet
- Quality Assurance
- IS / IT Worksheet
- SHE / Human Resources
- Products Worksheet
 - Machines
 - Element
- Projects
 - Project Sweety
 - General CAT
- Critical Areas
- Flow Charts
- Layout (maps, plans, etc.)
- Dashboard

