

2017 Year-in-Review

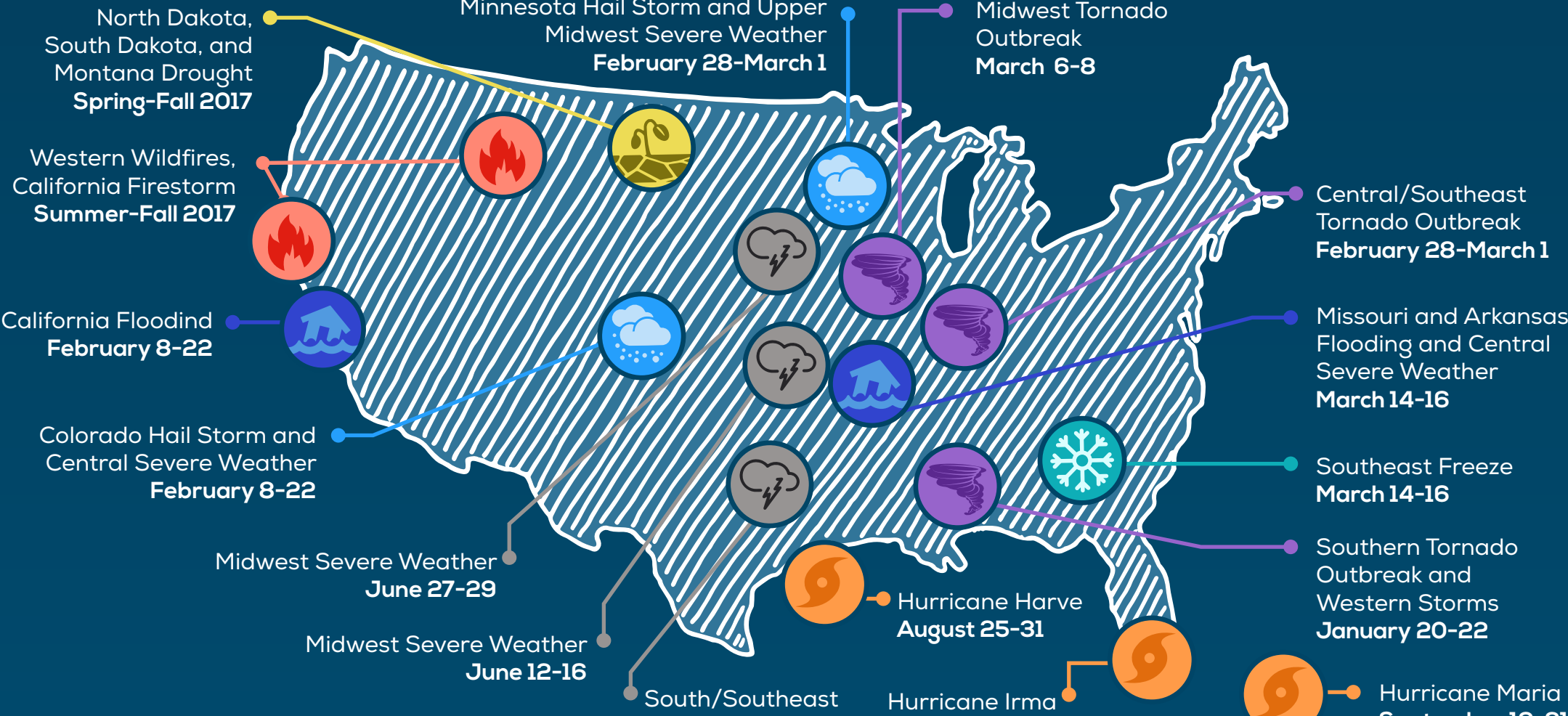
VALUABLE LESSONS & BEST PRACTICES

KNOW THE FACTS



2017 BILLION-DOLLAR DISASTERS

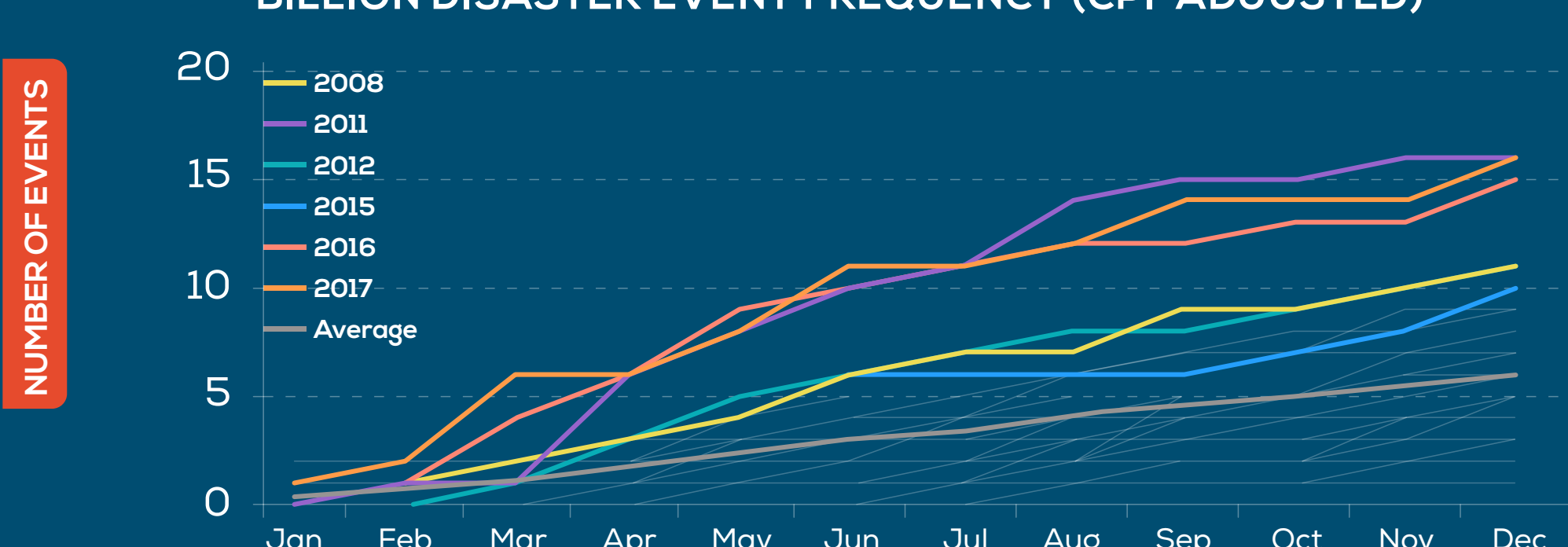
WEATHER AND CLIMATE IMPACTS



Source: NOAA/NCEI, "Billion-Dollar Weather and Climate Disasters" Data. Costs for hurricanes and wildfires not yet finalized.

Weather and climate disasters in the United States in 2017 with losses exceeding **\$1 BILLION**

1980-2017 YEAR-TO-DATE UNITED STATES BILLION DISASTER EVENT FREQUENCY (CPI-ADJUSTED)



\$306.2 BILLION: Cumulative cost of \$1B disasters in 2017—a new U.S. annual record

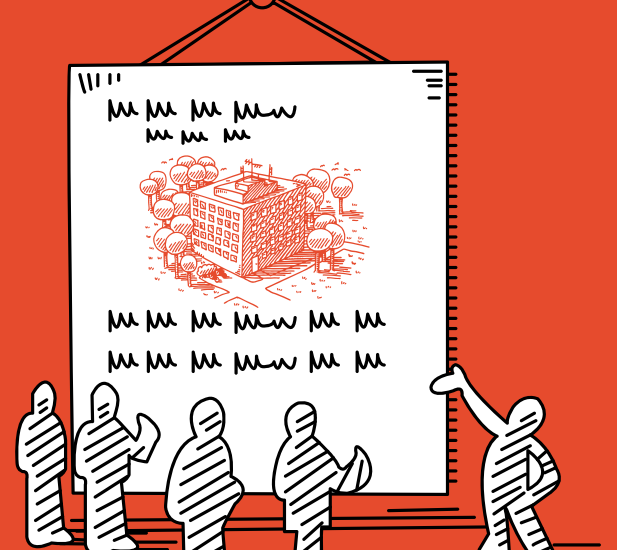
Lessons Learned/Best Practices

UNDERSTAND YOUR LOCATION'S RISKS

- ✓ Know the possible threats to your organization and their potential impacts
- ✓ Follow mitigation protocols if you're in a threatened region
- ✓ Know options for relocating personnel, equipment, and securing temporary office space
- ✓ Plan ahead, recognizing that direct help and supplies could be delayed a week or more



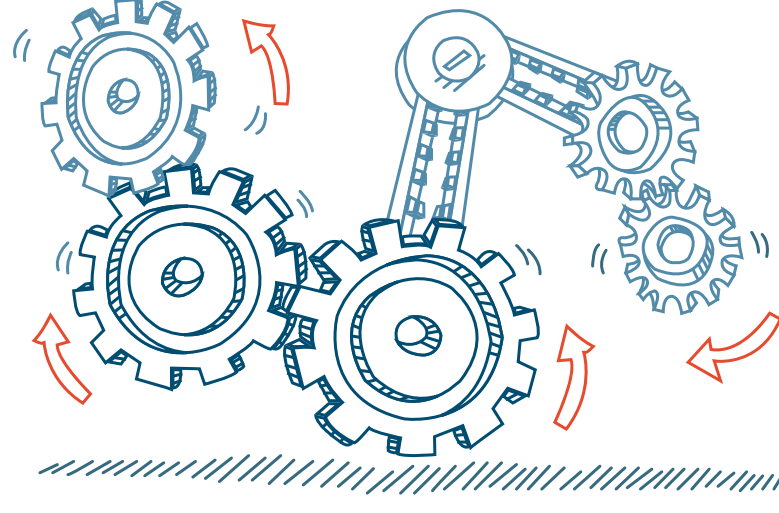
PLAN FOR THE WORST



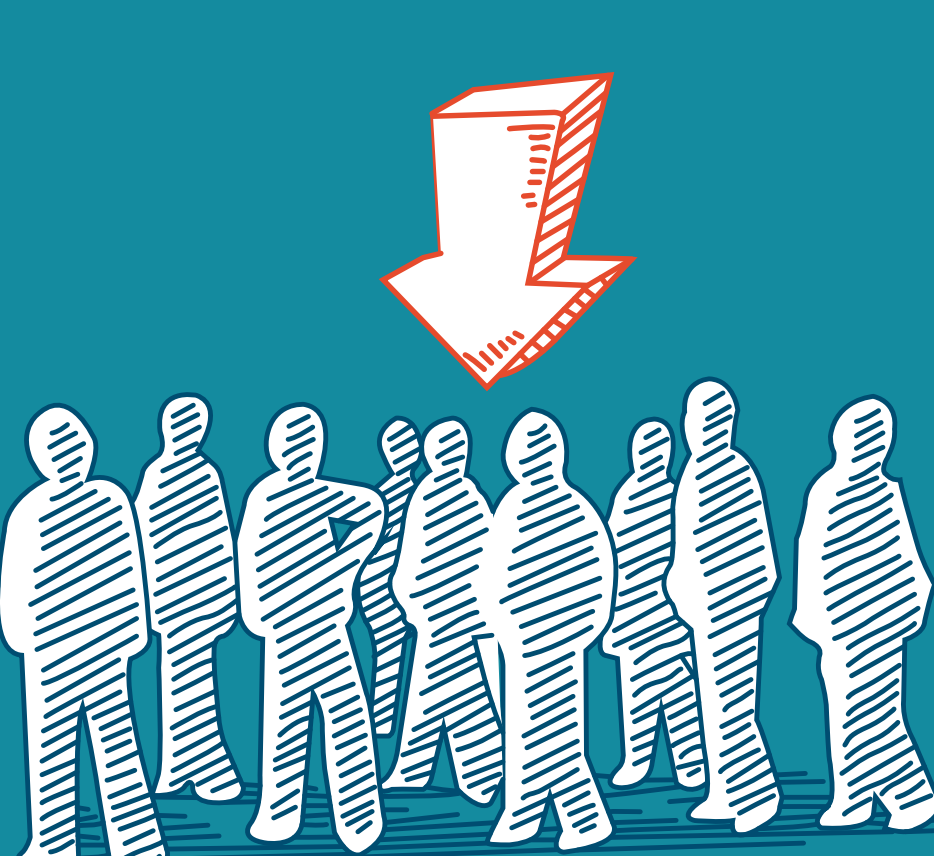
- ✓ Incorporate the loss of your entire facility into recovery plans
- ✓ Prepare to have no nearby options or sources for recovery and support
- ✓ Recognize that where it rains, it can flood, so prepare accordingly

BUILD SUPPLY CHAIN RESILIENCE

- ✓ Consider all your external vendors and plan for long term interruptions, making sure to include all third parties that are critical like utilities and communications providers
- ✓ Diversify your supply chain; don't only rely on local vendors and suppliers
- ✓ Ensure redundancy in your network of suppliers, setting up accounts ahead of time with alternates
- ✓ Know where suppliers are based and vet their resilience strategies, working individually with vendors on strategies to continue operations



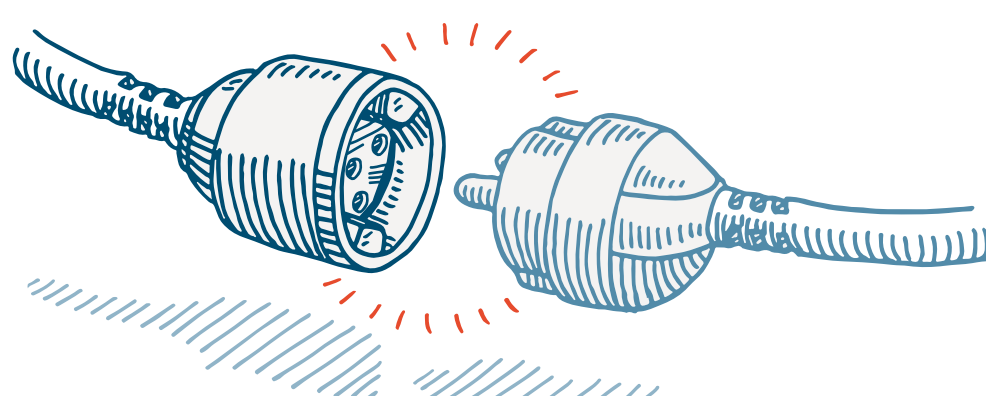
PREPARE YOUR EMPLOYEES



- ✓ Train your employees in your recovery protocols
- ✓ Plan for transportation disruptions and prepare for work from home challenges
- ✓ Cross train employees so critical functions can continue with reduced staff
- ✓ Help your employees prepare at home
- ✓ Test your work-from-home strategy

ESTABLISH POWER NEEDS

- ✓ Get to know your electricians and determine your power demands ahead of time
- ✓ Be prepared for mobile generator recovery with detailed specifications and a plan for how to connect temporary power



KNOW YOUR INSURANCE COVERAGE



- ✓ Make sure you're insured for all potential risks
- ✓ Consider business interruption insurance and added expense coverage to offset potential costs associated with recovery
- ✓ Closely examine any exclusions, limitations and specific terms for properly filing a claim

ADDITIONAL CONSIDERATIONS

- ✓ Develop a strategy for communicating with employees, customers, and stakeholders
- ✓ Ensure your recovery and evacuation strategies are in place and tested
- ✓ Have access to petty cash for emergency supplies
- ✓ Become familiar with local law enforcement and emergency response leaders
- ✓ Have a Crisis Communications plan and properly train those responsible for speaking publicly
- ✓ Ensure all employees are familiar with you policy for interacting with the media

