Welcome to:
Managing Risk – Continuing Operations When the Unexpected (or Expected) Occurs

Presented to:

EPBC 2018 Conference

DRI International/DRI CANADA

Formed in 1988, DRI International is a non-profit organization committed to:

- **Promoting a base of common knowledge for the continuity management industry**
- **Certifying qualified individuals in the discipline of Business Continuity**
- **Promoting the credibility and professionalism of certified individuals**

DRI International is the global organization setting the standard for professionalism in business continuity planning and is the industry's premier education and certification program body; conducts training in over 50 countries, with certified professionals in over 100 countries.

DRI CANADA was formed in 1996 as a member owned, non-profit organization and operates as an affiliate of DRI International. DRI CANADA is the exclusive representative of DRI International with respect to the management, provision and delivery of educational courses and professional certification programs within and throughout Canada.

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What are we facing?

What does ‘bad’ look like?

Bad – any event or threat that puts your assets at risk:

- Expected events
- Unexpected events

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Shocks to the system

2018 Trends and Predictions

1 **Cyber attacks** state-sponsored

2 **Cyber attacks** criminal

3 **Major IT interruption** due to technical malfunction or human error

4 **Information security** inadequate investment

5 **Privacy and data protection** laws non-compliance

6 **Serious supply chain disruption** causing significant financial loss

7 **Failure of critical national infrastructure** in a major country

8 **Extreme violence**, random attacks

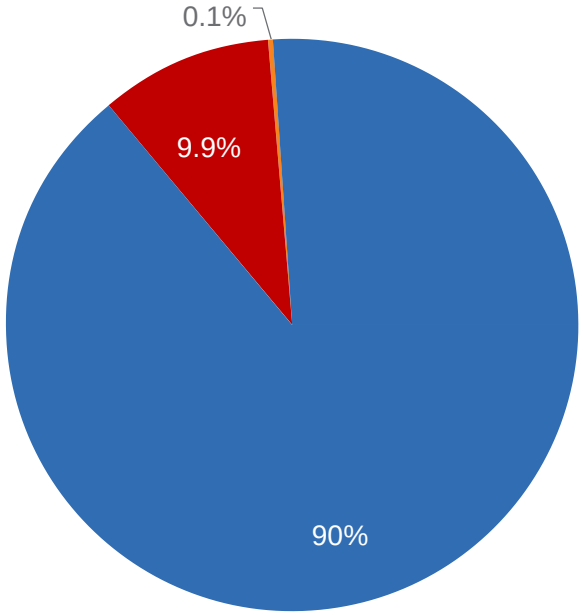
9 **Terrorist attacks**, coordinated and organized

10 **Pandemic** which spreads quickly with extensive global fatalities

The Changing Face of Hackers

Who are the hackers?

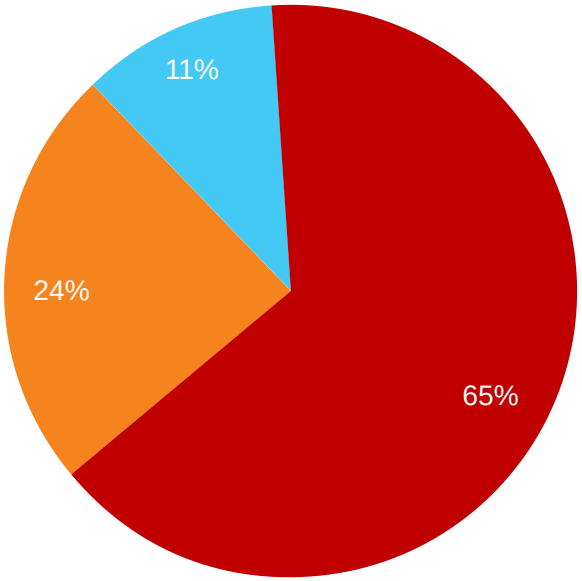
1997



- Amateurs (cyberjoyriders)
- Potential professional hackers for hire (corporate spies)
- World-class cybercriminals

Base: About 100,000 hackers worldwide
Source: IBM Global Security Analysis Lab, Yorktown Heights, N.Y.

Motivations Behind Attacks June 2014



- Cyber crime
- Hacktivism
- Cyber espionage

Source: Hackmageddon.com

Resilience

The adaptive capacity of an organization in a complex and changing environment.

DRI International Glossary for Resilience

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What makes a system resilient?

- Adaptive, flexible, and responsive
- Distributed command structure
- Decision-making capability at various levels
- Emphasis on both internal and external preparation
- Intelligent use of data

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What does resilience mean for organizations?

- Strong governance and board/senior level leadership
- Ability to cope with economic downturns and market disruptions
- Continuously reinforcing strengths
- Learning from mistakes and resolving weaknesses
- Safeguarding assets
- Identifying risk appetite and amending corporate strategy

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Strategy for resilience

"Business continuity and the other resilience disciplines are becoming strategic issues in corporate thinking – although the practices adopted are still mainly tactical and operational. This gap must be addressed…."

- FVC Trends Report

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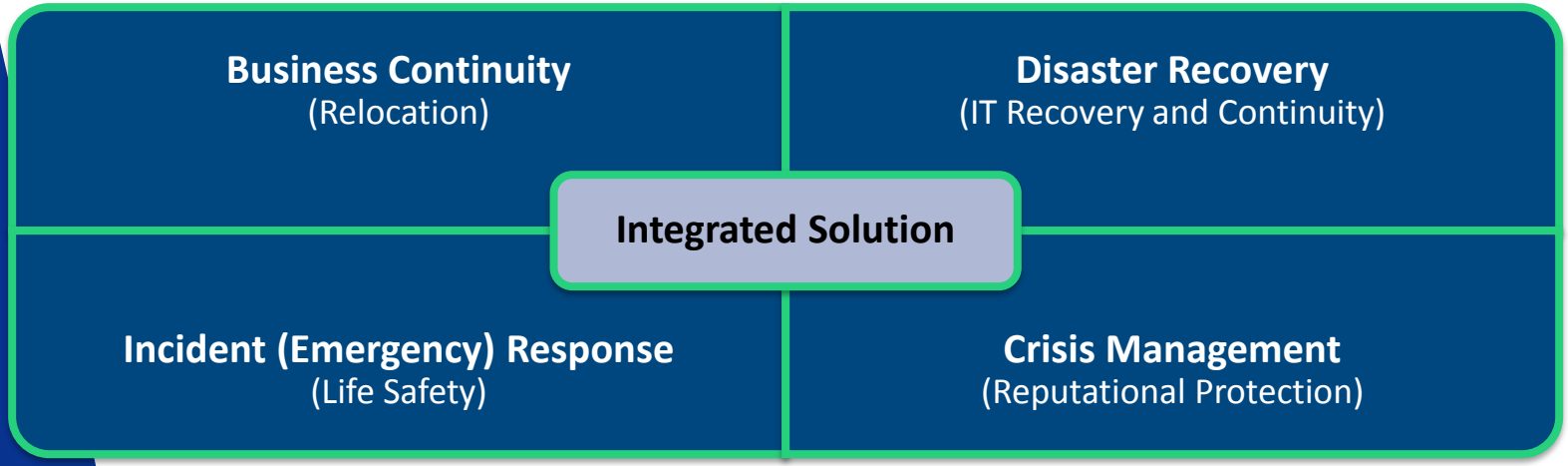
Continuity is key to building resilience

Under the umbrella of

Business Continuity Management



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Why business continuity matters

- To safeguard human life
- To minimize confusion and enable effective decisions in a time of crisis
- To reduce dependency on specific personnel
- To minimize the loss of assets, revenue, and customers
- To ensure the survival of the organization
- To satisfy any legal or regulatory requirements
- To ensure that you are doing your due diligence
- To facilitate the timely recovery of critical business functions
- To maintain the public image and reputation of the organization

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Reasons for business continuity

External Drivers

- **Demands from customers/stakeholders**
- **Increased regulatory and self-regulated requirements**
- **Recent Loss and/or Business Interruption**
- Pressure from audit committees
- Pressure from financial institutions
- Pandemic concern
- New threats and risks

Impacts

- **Loss of customers or inability to attract new customers**
- **Regulatory sanctions**
- **Audit's recommendation**
- Loss of revenue
- Loss of assets and employees
- Decrease in stock value
- Increase of insurance premiums

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Business Continuity Management

Business Continuity Management (BCM) is a management process that identifies risk, threats, and vulnerabilities that could impact continued operations. Business continuity provides a framework for building resilience and the capability for an effective response. *

*** DRI Professional Practices**

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Takeaways

- Continually review legislation, standards, legal/regulatory requirements for your BCM program. Ensure compliance with applicable legislation/regulations (includes data storage and ownership)
- Align the BCM program with organization mission/goals and key drivers (customer, reputation, audit, etc.).
- Link BCM with RM
- Establish ‘life cycle’ approach for your program/plans – i.e. regular reporting, succession planning
- Establish program metrics and reporting
- Continually assess new and emerging threats

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Takeaways - continued

- Continually review ‘business’ processes – i.e. JIT inventory
- Promote a culture of risk awareness
- Assess existing controls/safeguards – adjust and implement new as required
- Identify core and support processes for your organization and dependencies – internal and external – map to supply chain
- Ensure strategies driven from risk assessment and impact analysis are still valid – assess potential risk(s) of new strategies

Takeaways - continued

- Conduct penetration testing
- Conduct horizon scanning
- Review/adjust asset location(s)
- Implement mitigation efforts
- Perform regular maintenance activities
- Implement enablers/policies
- Implement lessons identified (events/threats/exercises)

Takeaways - continued

- Establish supplier governance
- Validate and strengthen supply chain
- Conduct awareness & training – for both internal and external stakeholders - communicate the “why” for the BCM program
- Establish Mutual Aid/Assistance agreements
- Establish/strengthen partnerships
- Integrate cyber into your BCM program (includes incident management and exercises)
- Map systems/applications to business processes

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Takeaways - continued

- Practice, practice, practice – internally and with partners/suppliers – add specifics to policy
- Establish and maintain relationships/processes with external agencies/organizations early in the process
- Include BCM as part of performance management/new employee orientation programs
- Manage social media/verify credibility of social media
- Continually improve your programs

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Successful BCM/COOP Programs

- Not an Emergency Management (EM) function
- Coordinated with suppliers and vendors
- Senior management support/organization commitment
- Integrated with organizational mission and objectives
- Appropriate budget
- Retention, backups, and off-site storage program
- Fully documented and exercised regularly
- Risks managed
- Exposures prioritized
- Flexible and adaptable

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Strengthen the chain

- **In conclusion:**
  - **Mitigation, prevention, and preparedness viewed as an investment (align the program with organizational mission/goals)**
  - **We all fit into a supply chain – are these chains as strong as they can be?**

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Summary

- A Business Continuity Program:
  - Is NOT a project
  - Is NOT Insurance
  - Is NOT a one-time task
  - Is NOT for a fixed length of time

- Is an on-going, living program that consists of several interdependent and reiterative projects.

An accurate, up-to-date, and executable business continuity /continuity of operations plan is essential for an organization to respond in a timely, coordinated fashion, and recover from a crisis or disaster in order to meet the established recovery requirements of the organization as well as stakeholder expectations.

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We can’t predict the future and we can’t control what will happen next.

What we can control is our preparation for it and our reaction to it.

Q&A

Thank You!