Business Continuity Plan
1. Introduction

- It is impossible to think of every exigency
  - Nobody would have thought the earthquake in Japan would cause the tsunami that then affected the nuclear plant

- If you have spent effort in understanding each step and process of the organisation, when it comes to something you've not planned for, at least the thinking process is there, and you'll be able to react quicker and better
  - How to adapt disasters rather than trying to eliminate them

- Example: During the volcanic ash situation in Iceland, all flights in Europe were grounded. Immediately plans were made to clear the bottle neck that would follow, with charters and additional capacity secured. Alternate gateways were introduced and central hubs of HKG and SHA had cargoes re-routed to Chengdu and Urumqi.
2. Planning Structure

A. Planning – Management Team

- DHL is committed to reducing the risk to staff and business continuity posed by any natural disaster
- DHL will assign resources to planning activities to mitigate this risk as much as practical

B. Plan Implementation Team - All

- An Implementation Team is formed
  - Comprises of Risk Manager and Representatives from various departments

C. Development and Maintenance of a Planning and Implementation Team

- DHL has developed a detailed Preparedness Plan with “triggers” and “actions” based on the World Trade Organisation Phases. This is designed to incorporate the DHL system of alert levels, if appropriate, and will complement management/business continuity/disaster recovery plans.
3. Natural Disaster - Flooding/ Typhoon/ Bad Weather

- **Business Continuity Plan**
  - Employee Handbook (in this case regarding typhoons in Hong Kong)
    - Typhoons can cause serious damage to life and personal property and also lead to severe traffic disruption
    - All employees should refer to the Employee Handbook which is clearly stated the Policies & Regulations during Typhoon and Black Rainstorm Warning arrangements of DHL
  - Preventive actions
    - Routine actions and equipment are required to ensure that the facility in the prone area is prepared for a flood (Water pump for pumping out standing water)
  - Emergency Contacts
  - Responsibilities of Respective Department
  - Response Actions
  - Activation of the temporary backup centre
    - 5 Backup offices have been assigned for emergency use
    - Each department HOD will depend on a flooding situation at the scene to determine whether they need to move to one of the backup offices
4. Power failure

- Given DHL’s reliance on computers and other electronic devices for most of our operations, any sustained loss of power will have very adverse effects on our business.

- This contingency is to ensure that DHL can continue business as usual in case of a power outage.
  
  ▪ Preventive actions
    - All warehouse/office have sufficient backup power which will automatically start up when electrical power is lost.
    - Backup data for Company and individuals (network drive/USB drive).

- Emergency Contacts

- Responsibilities of Respective Department

- Response Actions

- Activation of the temporary backup centre
  
  ▪ 5 Backup offices have been assigned for emergency use.
  ▪ Each department HOD will depend on a power failure at the scene to determine whether they need to move to one of the backup offices without power failures.
5. Business Contingency Plan

- **What is the impact on the market?** Ensure customers are aware of the market issue and not exclusive to a single provider. Support with carrier press releases and highlight the current situation.

- **What are the options?** Alternative shipping modes available – seAir, RailAir etc. Move potential backlogs to alternative gateways.

- **What happens when normality resumes?** Bottle necks and back logs are expected. DHL’s contingency includes chartering aircraft and vessels to clear on a first in, first out basis.

- **Manage Expectation.** Lead times and uplift options will naturally be effected. Highlight insurance claims will be invalid due to ‘force majeure’.
6. DHL Disaster Response Team

- Social encouragement is very important for DHL
- When a natural disaster strikes, immediate help saves lives
- In these situations, the timely distribution of humanitarian aid to the affected areas is crucial
- Unfortunately, time and again, airports nearby, where relief goods must be handled, often turn into bottlenecks
- It is the DHL Disaster Response Teams' responsibility to eliminate these bottlenecks
- Our specially trained logistics experts ensure that essential supplies, such as food, medicine, and hygiene kits, keep moving
  - Ready to deploy within 72 hours, these teams are asked to deploy by the UN Office for the Coordination of Humanitarian Affairs (OCHA)
THANK YOU