Global Policy

Business Continuity Management

Policy No.:	1.13 (Version 1.0)
Issue Date:	01.10.2022
Last Update:	--
Applies to (Region):	All
Applies to (Department):	Internal Audit & Risk Management
Contact Person:	Arthur Consalter, Head of Internal Audit & Risk Management
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1 Executive Summary

Internal or external disruptive events like natural disasters, pandemics, strikes, power outage, supplier disruptions, etc. have the potential to cause severe longer-term operational disruptions to Envu's global or local businesses. Without suitable preparation, risk exists for the inability to deliver products and services, which can lead to financial or reputational damages, or cause a failure to meet legal and regulatory obligations that could in turn have a major impact on our financial stability, or even going out of business, dependent upon different circumstances.

In line with Envu's vision of "*Healthy environments for everyone, everywhere*", Business Continuity Management (BCM) plays an important role. Envu strives to ensure its Business Continuity (BC).

The objective of BCM is to provide the capability to adequately prepare for and react to disruptive events ensuring the ability to deliver products and services in scope to our customers.

BCM ensures that, based on a diligent scoping process and Business Impact Analysis (BIA), Business Continuity Plans (BCPs) are defined. It provides a level of assurance that the organization can either continue to provide products and services to comply with given market or regulatory obligations and reduce financial and reputational impact or recovers from the disruptive event in a systematic and timely manner. BCM also supports the existing Crisis Management organizations with additional reaction strategies, and more specifically, Business Continuity Plans (BCPs), that can be activated during or immediately after a disruptive event that is being managed in accordance with the existing Envu Crisis Management Process described in the Crisis Management policy #1.05.

Note: Envu BCM will be developed in the near future. Therefore, this Policy brings the general concept of the future program, pre-approved by Envu Leadership Team on the Policy issue date.

2 Purpose Statement

2.1 Policy Rationale

BCM is a holistic management process that, based on a diligent scoping process and BIA, identifies potential threats to an organization and the impact on business operations, which provides a framework for developing the BCPs and building organizational resilience with the capability of an effective response that safeguards the interests of its key stakeholders, the company's reputation, brands and value-creating activities.

2.2 Risks to be mitigated

Any potential threats that can impact organization critical business operations.

2.3 Groups Affected

The scope of this Business Continuity Management Policy is limited to business critical events, for example, in the sense of disruptions of supplying products and services to customers and failure to meet obligations.

This Policy applies to the Leadership Team (LT), senior executives in the business, global functions and internal & external services, as well as country representatives. It also applies to employees who are responsible for business segments involved in supplying products, services and at meeting obligations to our customers. These are by definition the BCM risk owners.

3 Policy Content

3.1 Policy Statement

The BCM lifecycle follows the Plan-Do-Check-Act approach:

Figure 1: BCM lifecycle:
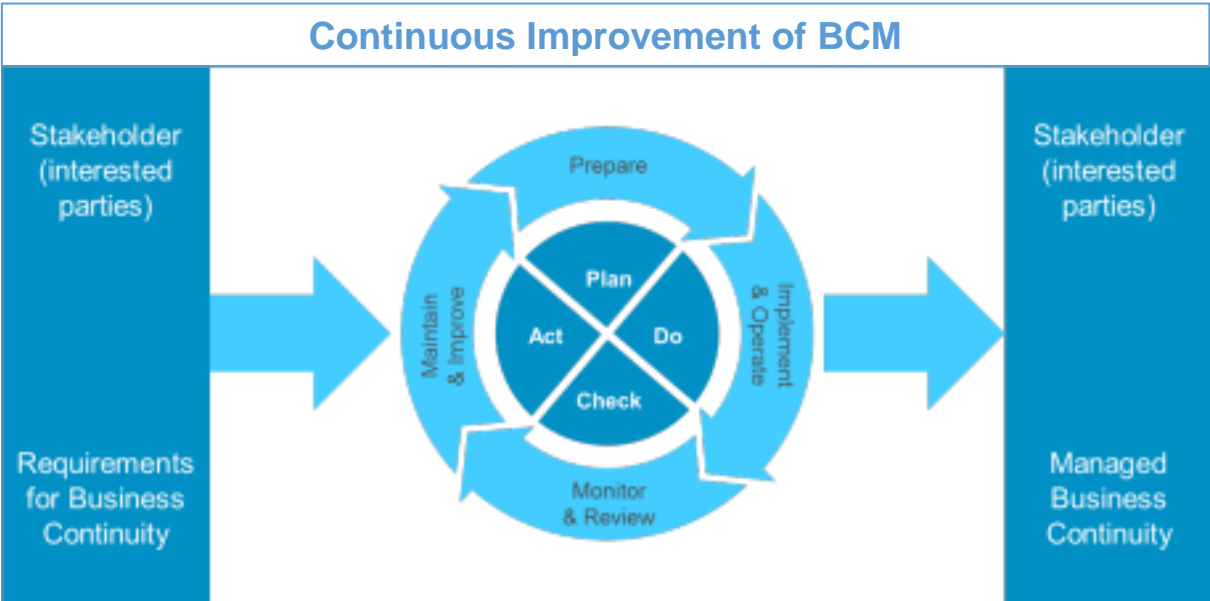
The BCM lifecycle considers requirements of stakeholders as an input for the whole BCM lifecycle and delivers an outcome (i.e. managed business continuity) meeting those requirements.

This lifecycle applies to preparing, implementing, operating, monitoring, reviewing, maintaining, and continually improving the effectiveness of the BCPs.

The main roles and responsibilities for each step are described in section 3.2. "Roles and Responsibilities" and section 3.3 "Plan-Do-Check-Act Model" provides additional activities related to BCM.

3.2 Roles and Responsibilities

If a crisis is an event that is causing a prolonged business disruption in the Crisis Management Process flowchart in annex of our Crisis Management policy # 1.05, step 9 is where a determination is made if there is a need to enact the appropriate BCPs due to a business disruption. The following outlines four of the primary roles in BCM:

BCM Owner

The BCM Owner is accountable for Envu's BCM framework and methodology and its implementation with the organization. The BCM Owner is the Head of Internal Audit & Risk Management.

BCP Owner

The BCP Owner is overall accountable for the compilation, enactment and management of the BCPs pertaining to a critical product, function, process, and service or meeting an obligation. Typically, the BCP Owner is the head of a global function, business segment, entity, sales office, warehouse, research & development site, etc. supporting Envu's business and service operations (including third party services).

In daily business the activities might be delegated to a caretaker. However, accountability and point of contact for global communication stays with the BCP Owner.

BCP Responsible

- Coordinates all activities related to BC including plan development, exercises, and annual maintenance in compliance with BCM
- Ensure operational resiliency by training personnel in BC measures
- Organizes, drives, evaluates and reports BCP exercises
- Reviews and maintains BCPs
- Distributes copies of the BCPs to the BCP Owner, BCP Owner alternate and key team members

BCP Team Members

The BCP Team Members are key site personnel identified to execute the BC measures:

- Execute recovery actions for their area of responsibility upon the direction, recovery strategies and next steps provided by the BCP Owner
- Communicate requirements, status updates and any issues to the BCP Owner
- Ensure validity and currency of plan measures

The following RACI matrix gives a summarized overview regarding the various roles in BCM and their tasks:

Figure 2: RACI for BCM

	BCP Owner	BCP Responsible	BCM Owner
Plan			
Define Strategy	I	I	A/R
Monitor & Report Status	I	I	A/R
Manage Framework	I	I	A/R
Train Policy/Framework	I	I	A/R
Determine Global BCM Scope	A	I	C/I
Do			
Determine BCP Scope	A	R	C/I
Impact Assessment (BIA)	A	R	C/I
BCP Documentation	A	R	C/I
BCP Execution	A	R	C/I
Check			
Review BCP (Do)	A	R	C/I
Exercise / Test BCP	A	R	C/I
Monitor & Report Test Results	A	R	R/C/I
Propose corrective actions	A	R	R/C/I
Act			
Review (Check)	A	R	R/C/I
Identify	A	R	R/C/I
Adjust	A	R	R/C/I
Implement	A	R	C/I

3.3 Plan-Do-Check-Act Model

3.3.1 Preparation (Plan)

In the preparation phase the foundation of BCM is laid out. It consists of:

- Establishment of objectives, controls, processes, monitoring and procedures relevant to improving BC in order to deliver results that align with Envu's overall policies and objectives.

- By way of a risk-based analysis, taking an end-to-end integrated view on internal and external resources employed, senior management and the IARM group performs a functional approval of the BCM scoping.

- The scoping is performed along commercially relevant product lines and services. The products and services determine the supporting central functions, countries, country sites and country supporting processes along the critical path, in order to reduce the global BCM scope to the extent possible.

3.3.2 Implementation and Operation (Do)

In this phase BCM is put into operation. The deliverable of the steps described hereafter are the BCPs, which help ensure the operating ability after a disruptive event:

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- Analyze the impact of a critical event on the organization's operation and business (BIAs)
- Determine BCM strategies (alternative options and tactics), preventive measures, continuity measures, recovery measures and continuity organization based on four key resource areas:
  - Disruption of IT Services: any disruption which impacts availability or access to IT Services.
  - Workplace Disruption: any disruption to the facilities or equipment required to ensure continuation of business activities (i.e. offices, call centers, manufacturing plants, laboratories, warehouses, etc.).
  - Workforce Disruption: any disruption impacting the availability of sufficiently trained and skilled personnel needed to ensure continuation of business activities.
  - Supply Disruption: unavailability or disruption to the supply of materials, utilities, services, logistics, etc. which impacts the ability of the business to continue to function. This includes both internal and external service providers.
- Develop and Implement BCPs
- Communicate, train and test BC measures

The following outlines the BCM lifecycle approach that Envu follows for developing the BCPs:

Figure 3: BCP Lifecycle

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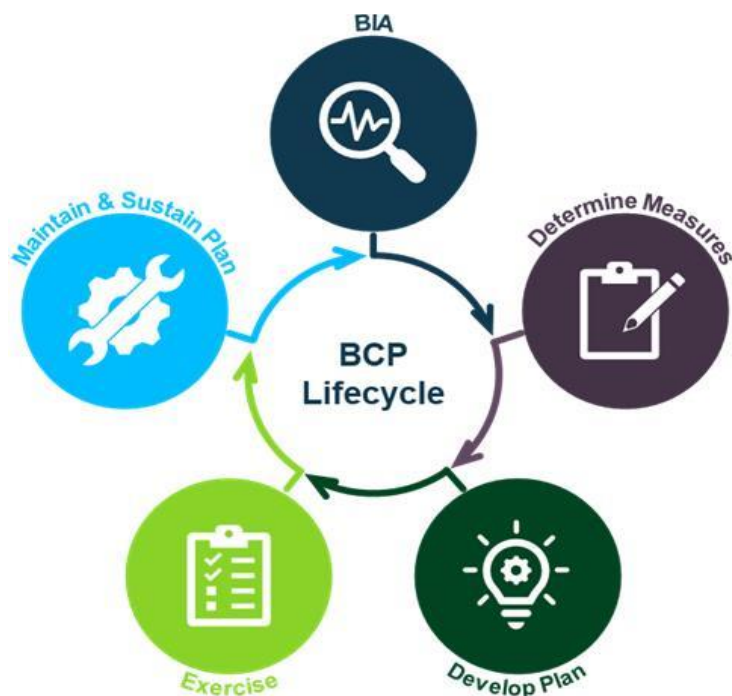
3.3.3 Monitoring and Review (Check)

In the third phase the performance of the BCM implementation is evaluated and reported to senior management for review and includes recommendations on actions for remediation and improvement (including lessons learned from incidents, trainings or testing).

3.3.4 Maintenance and Improvement (Act)

In the last phase corrective actions to maintain and improve the BCPs are taken, based on the results of management reviews and re-evaluating the scope of the BCPs and objectives.

3.4 Implementation, Training and Control

Implementation and awareness of BCM is a continuous process. BCP Owners will ensure the following:

- BCM becomes an integral part of the day-to-day management objectives.

- Education, awareness training and application of the Business Continuity Management Policy and the visible proactive support from all management levels.

- Commitment and sufficient funding to maintain, test and review the BCPs and solutions.

- Communication to all stakeholders (including third parties) whom Envu depends on regarding the importance of BCM to Envu and their respective roles.

Training is defined in two aspects.

- One aspect of the training covers the BCM methodology provided to those responsible for BC in the business, group functions and countries by the Internal Audit & Risk Management function (IARM).

- In a second step the BCP Owner might nominate an additional person or persons (caretaker(s)) to be trained. The training lies in the accountability of the BCP Owner and could be executed by IARM as well.

4 Appendix

4.1 Definitions and Abbreviations

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4.2 References

Crisis Management Policy # 1.05

4.3 Change Log

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