
**Business Continuity and
Disaster Recovery Program**

McKesson Medical-Surgical

Updated: March 2020

Our Approach to Business Continuity

As a leading distributor of medical and surgical supplies, McKesson Medical-Surgical Inc. (“McKesson Medical-Surgical”) implemented and maintains a Business Continuity Program. Our priorities are to:

- Protect our customers;
- Help ensure the safety of our employees;
- Help ensure our workplaces are safe and secure; and
- Help ensure the continuity of critical business processes following natural disasters, human caused threats, public health emergencies, and other incidents.

In the immediate aftermath of a business disruption, our focus will be to quickly safeguard our people and property, mitigate any negative impacts to our customers, and help ensure clear and open communication throughout the incident. We will also focus on restoring normal operations as quickly as possible and completing any delayed or impacted orders. A few of our mission-critical services are listed below:

- Sales Order Management;
- Order Fulfillment;
- Distribution Logistics and Transportation; and
- Customer Service and Support.

Customer Expectations During a Business Interruption

McKesson Medical-Surgical is committed to providing our customers with the highest level of service by minimizing any impact to our service levels during business disruptions. While we realize some events cause us to miss service expectations, we can plan and execute against our goals with the help of our customers and business partners.

To minimize the impact of an emergency situation, customers should be prepared to:

- Contact your McKesson Medical-Surgical sales representative or customer service representative as soon as possible to discuss early ordering, order prioritization, emergency orders, and order consolidation where possible;
- Please let your sales representative or customer service representative know about any changes to operating hours, facility damage, or other factors that will impact our ability to deliver your product;
- If you are expecting a forecasted natural disaster, or are experiencing a surge in demand due to a public health event, please place orders early; and
- Review the McKesson Medical-Surgical homepage at mms.mckesson.com, for updates and instructions regarding recent events.

Please see the following contact numbers and email addresses for our Customer Service Team:

<u>Customer Segment</u>	<u>Phone Number</u>	<u>Email Address</u>
PC	(866) 625-2679	MMSPCCustomerService@McKesson.com
EC	(800) 654-0418	MMSECCustomerService@McKesson.com
Lab	(844) 866-7522	MMSLabCustomerService@McKesson.com

Further Details on Our Business Continuity Program

To help ensure our response to business disruptions meets expectations and safeguards our customers, people and property, McKesson Medical-Surgical has implemented a cross-functional approach to business continuity:

Event Response

- Each facility has a dedicated Response Team.
- Each facility has a unique response plan which addresses multiple life-safety scenarios.

Business Continuity

- Dedicated Business Continuity Coordinators support business process-level response to disruptions.
- Coordinators maintain protocols for response to multiple possible types of business disruptions.

Example Response to a Typical Business Disruption

McKesson Medical-Surgical responds to multiple business disruptions every year, including hurricanes, snowstorms and other events (such as public health emergencies). Here is a summary of the steps we take to prepare for and recover from a typical weather-related emergency.

Incident Detection and Preparation

Our facility leaders and business continuity coordinators monitor local and regional weather conditions, as well as coordinate with public health officials at the local, state and national levels (with support from the McKesson Corporate Crisis Management Team and the Global Security Operations Center). If potential threats are detected:

- Local and regional Incident Response teams are notified of the possible threat. These teams include members from the Distribution Center, Transportation, Customer Service, and Information Technology departments.
- Once notified, local distribution center teams, together with representatives from alternate facilities, prepare for the threat and create operating plans in conjunction with local business partners.
- Our teams, in particular Customer Service, Distribution, Logistics, and Transportation also prepare by developing a staffing plan and working with customers as needed to pre-order goods.

Response Management

During the event, our Incident Response teams meet regularly to share status updates, modify operating plans and respond to any specific failures. Examples of these responsibilities include:

- If a facility is damaged or is inoperable, the facility's Response Team will manage evacuations, building repairs or other activities as necessary to restore service as quickly as possible.
- If MMS is affected by a public health event, the facility's Response Team, partnering with Human Resources and business leaders, will create a staffing plan to ensure critical roles are performed.
- Distribution center leaders, transportation leaders, and customer service representatives work closely together to respond to local requirements, reroute and prioritize deliveries and monitor fleet operations.
- Distribution center and transportation leaders work with our carrier partners to help ensure service disruptions are reduced for our customers.
- Multiple times a day, as necessary, our Business Continuity Coordinator:
 - Hosts a call with our Incident Response teams to discuss the ongoing nature of the disruption, as well as impact on our facilities, employees and customers; and
 - Provides a summary communication to our senior leadership and other department leaders regarding status and actions taken.

Resolution

Once the incident is resolved:

- Our team reviews the impact of the event and any outstanding impacts to customer orders;
- Our Incident Response Team works to complete any outstanding orders as quickly as possible; and
- Our Incident Response Team reviews the management of the event for continuous improvement.

The following sections provide additional details on how our most time-sensitive departments are prepared to handle business disruptions, which may affect our customers.

Mission-Critical Services Strategy

Staffing

As one of the world’s nation’s healthcare companies, we know we have a critical role to play in making supplies available to customers and patients when they need them. We recognize our role can be even more important during times of crisis. It is something we take seriously every day and even more so right now as the world faces this healthcare challenge.

We have continuity plans in place for the various roles and worksites across our organization to ensure we have appropriate staffing and that they can safely execute their work for the benefit of our customers and their patients.

Sales Order Management

Receiving customer orders is critical to the McKesson Medical-Surgical Business Continuity program. In the unlikely event our online ordering system fails, we may take manual orders through our Customer Service Department. We currently offer a variety of methods for you to complete orders with us during an emergency or business disruption, including:

- Our website at: mms.mckesson.com, which also provides alerts regarding current business disruptions;
- Place your orders directly with your sales representative via phone or fax; and
- Place your orders directly with our customer service representatives via phone or fax.

In the unlikely event our core sales order management system experiences an outage, the McKesson Medical-Surgical web-based ordering system may be used to capture orders. These orders will be held and submitted when the core sales order management system becomes available.

Order Fulfillment and Distribution Centers

McKesson Medical-Surgical operates a network of distribution centers across the United States which allows us to transfer orders between locations to continue the fulfillment of our customers’ orders. Each distribution center maintains a Business Continuity Plan including objectives and responsibilities during business disruptions. In the event of a business disruption, these plans allow our distribution centers to quickly communicate with carriers, Customer Service, Sales Support and other departments to maximize service availability and communication with customers.

Logistics and Transportation

The Transportation Team leverages a variety of options to get orders to your door including national and local carriers, private fleet, direct shipment, and other alternatives. McKesson can be designated as critical medical infrastructure during certain emergency situations, which may allow us to access otherwise restricted areas to make deliveries. During a business disruption, our team monitors service interruptions and coordinates communications between our carriers and distribution centers frequently to provide up-to-date communications to our Customer Service teams. We work to provide prompt notifications for all affected deliveries. We recognize timely deliveries are imperative for our customers and work through possible service options to resolve delivery issues and get the product to its destination as quickly as practical in any situation.

Customer Service and Support

McKesson Medical-Surgical operates a network of call centers with automated failover across the United States. This allows our customer service representatives to quickly respond to customer requests regardless of the situation or location. Our customer service representatives work directly with local Sales Support and Operations to provide the best level of support in placing emergency orders or identifying orders impacted by a business disruption.