



McKesson Business Continuity and Disaster Recovery Program¹

Our Approach to Business Continuity and Disaster Recovery

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

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

In the immediate aftermath of a significant business disruption, our focus will be to quickly mitigate any negative impacts to our customers, safeguard our people and property, and help ensure clear and open communication throughout the incident. We will then 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
- Information Technology and Cyber Security
- Order Fulfillment
- Distribution Logistics and Transportation
- 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 while 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 better prepare in the event of emergency situations, you can:

- 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, please place orders early
- 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:

Primary Care	(866) 625-2679	MMSPCCustomerService@mckesson.com
Extended Care	(800) 328-8111	MMSECCustomerService@mckesson.com
Lab	(844) 866-7522	MMSLabCustomerService@mckesson.com

Business Planning

Further Details on Our Business Continuity Program

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

Emergency Response	Disaster Recovery	Business Continuity
Each facility has a dedicated Emergency Response Team	IT processes and technologies have recovery and failover plans	Dedicated Business Continuity Coordinators support inter-departmental response to disruptions
Each facility has a unique Emergency Response Plan which addresses multiple crisis scenarios	Critical facilities and business processes have dedicated Incident Response teams who handle immediate response to business disruptions	Coordinators maintain protocols for inter-departmental 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, snow storms and other events. Here is a summary of the steps we take to prepare for and recover from a typical weather-related emergency.

Event Detection and Preparation

Our facility leaders and business continuity coordinators monitor local and regional weather conditions. If potential threats are detected:

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

Event 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 Emergency Response Team will manage evacuations, building repairs or other activities as necessary to restore service as quickly as possible.
- 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 ensure service disruptions are minimized for our customers.
- Twice a day, 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
 - Provides a summary communication to our senior leadership and other department leaders regarding status and actions taken



Event Resolution

Once the event 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
- Finally, our Incident Response Team reviews the management of the event for continuous improvement

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

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 have an alternate plan for taking 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
- 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 can be used to capture orders. These orders will be held and submitted when the core sales order management system becomes available.

Information Technology and Cyber Security

McKesson Medical-Surgical maintains Disaster Recovery plans covering software failures, failures of our data-centers, and servers supporting our Enterprise Resource Management system and our distribution centers. These plans allow us to provide continuity in systems operation and availability and include the following key items:

- Redundancy in our autonomous distribution centers and Customer Service facilities
- Backup procedures detailing how Customer Service, Information Technology, and Operations collaborate so customer orders are placed, processed and shipped in the event of a system failure
- Complete system failover capability ensures we can migrate complete system functionality to an alternate site
- Cyber security preparedness, testing, and response

Redundant Technologies for Customer and Internal Information Systems

McKesson Medical-Surgical maintains separate instances of its Corporate Information systems in dual state-of-the-art data-centers. Further, we help ensure all customer-facing technologies have redundant backups in case the primary system has a failure.

- Our databases employ failover technology to protect against a service outage should we encounter a hardware failure
- Each distribution center has a dedicated server so the distribution center can operate independently of the core system (distribution centers can continue to receive orders if the central system is operative)
- The core Enterprise Resource Planning system is housed in a separate location from our distribution centers to provide protection from impacts affecting select geographies

Business Planning

Complete System Disaster Recovery Services

McKesson Medical-Surgical has contracted with a leading third-party recovery services provider as a disaster recovery partner. This means if our data-centers, Enterprise Resource Planning system or other information technologies experience a complete failure, we can restore complete service at the partner's site. Services include:

- *Alternate Site Recovery:* In the event of a disaster, our computing environment would be restored at a separate geographic location
- *Comparable Computing Equipment and Hardware:* Our recovery partner provides hardware comparable to those currently in use in our in-house production environment
- *Recovery Management Services:* Our recovery partner provides experienced recovery technicians knowledgeable in all operating system platforms
- *Annual Testing:* In conjunction with our recovery partner, we conduct an annual disaster recovery exercise to test our current capabilities and procedures

Cyber Security

McKesson Medical-Surgical maintains an Information Security and Risk Management program based on the internationally recognized ISO 27001 framework. By implementing a defense-in-depth strategy, our approach is to ensure our IT environments are protected against cyber threats and to mitigate the impact of a potential system outage due to an attack.

Order Fulfillment and Distribution Centers

McKesson Medical-Surgical operates a network of distribution centers across the United States. 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. 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 ensure prompt notifications for all affected deliveries. We recognize timely deliveries are imperative for our customers and work through all possible service options to resolve delivery issues and get the product to its destination as quickly as possible.

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.



McKesson Support Contacts

If you have questions or need assistance with emergency preparedness planning, reach out to any of the following McKesson points of contact.

Account Managers

Name: _____

Work: _____

Cell: _____

Email: _____

Name: _____

Work: _____

Cell: _____

Email: _____

Clinical Support

Contact our Clinical Resource Team at 877.611.0081 or visit mms.mckesson.com/clinical-resources.

Customer Support

Eastern Region Support Center 800.654.7240

Western Region Support Center 800.654.0418



Notes