Microsoft Crisis and Disaster Management

People, Processes and Technology

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Disaster Management
Presentation’s Agenda

• Vision and Challenges in Disaster Management
• Microsoft Enterprise Crisis Management
• Focus Areas for Microsoft Disaster Response
• Resources and contacts
Microsoft Disaster Management Vision

Help build resilient communities and reduce the consequences of disasters

*Technology innovation plays a major role in solving the toughest problems in today’s world*
State of Affairs

In 2008, more than 235,000 deaths reported from natural disasters
The cost of these crises totaled more than $181 billion

<table>
<thead>
<tr>
<th>Region</th>
<th>Event Details</th>
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</table>
| **NORTH AMERICA** | • 2005 Hurricane Katrina:  
  • 1,833 deaths  
  • Infrastructure destroyed  
  • $125B in damages  
  • 2007 California wildfires:  
    • 8 deaths  
    • $2.8B in damages  
  • 2008: Hurricane Gustav and Ike:  
    • 125 deaths  
    • $37B in damages |
| **LATIN AMERICA** | • April 2008 Brazil flooding:  
  • 190K people displaced  
  • $390M in damages  
  • Aug 2007 Lima, Peru earthquake:  
    • 519 deaths  
    • 52,891 homes destroyed  
    • $2B in damages  
  • 1998 Honduras and Nicaragua Hurricane Mitch:  
    • 17,932 deaths  
    • $4.78B in damages |
| **ASIA-PACIFIC**  | • May 2008 Burma cyclone:  
  • 138,366 deaths  
  • Massive infrastructure loss  
  • $4B in damages  
  • May 2008 China earthquake:  
    • 87,476 deaths  
    • 15 million displaced people  
    • Massive infrastructure loss  
    • Continued aftershocks  
    • $85B in damages |
| **EUROPE**       | • 2003 heat wave:  
  • 32,849 deaths  
  • $6.61B in damages  
  • 1999 Izmit, Turkey earthquake:  
    • 17,127 deaths  
    • 23,954 wounded  
    • $20B in damages |

In 2008, more than 235,000 deaths reported from natural disasters.

The cost of these crises totaled more than $181 billion.
Microsoft’s Commitment

• Disaster & Crisis management is core to our commitment to develop technology, tools and practices that can reduce the consequences of disasters

• Through partnerships with leading organizations, we lend our global network and familiar technology to develop joint solutions to help make communities more resilient in disaster prevention, preparedness, response and recovery
A "Crisis" is defined as*:
• Any situation or incident that has the potential to significantly impact or destabilize an organization.
• A crisis may have effects on the organization’s reputation, stakeholders, operational/business continuity, and finances.

Crisis Management is defined as*:
• An organization’s strategic management actions for prevention, preparedness, response to and recovery from a crisis in an effective, timely manner, with the goal of avoiding or minimizing damage to the organization's core assets.
Enterprise Crisis Management - Rationale

We enable effective response, communication and mitigation of impacts to our organization through the development, delivering and driving of the enterprise crisis management framework.

Method to Accomplish:

- Collaboration with a cross organizational team to develop and maintain action oriented and succinct plans that can be easily addressed in Crisis situations.

- Separation of Program Governance (Operational ECM Guidelines) and Crisis Response Functions (ECM Plan).

- With the Plan, establish an overarching framework for management of a significant crisis that may potentially impact the life safety, operations or reputation of Microsoft.
## Enterprise Crisis Management – Incident and Crisis Classifications

The Crisis Mgmt structure is based on a tiered approach to address local, regional and corporate wide incidents.

- **Local- Level 1**: Needed to manage and execute the response activities at the scene of a crisis, including evacuation, employee safety procedures, and initial coordination of emergency personnel.

- **Regional- Level 2**: Needed to manage, coordinate and execute the response activities across multiple locations within an Region or Subsidiary.

- **Corporate- Level 3**: Needed to manage, coordinate and execute the response activities across the enterprise.

### Classification and Description

<table>
<thead>
<tr>
<th>Level</th>
<th>Description</th>
<th>Examples</th>
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<tbody>
<tr>
<td>Level 1 (LOCAL)</td>
<td>Minor - An irregular event with low to moderate risk to people, property and/or business operations. Impact to single facility or community and may, or may not, require response by external agencies (e.g., police, fire). This level is considered to be a Contained Incident – i.e. there are controls in place to respond to an irregularity, and the business unit and/or community is expected to cope.</td>
<td>Normal product complaints, small fire, limited power outage, suspicious package, local infrastructure damage (bridge collapse), etc.</td>
</tr>
<tr>
<td>Level 2 (AREA/REGIONAL)</td>
<td>Significant - An irregular event with moderate to significant risks to people, property and/or business operations. Single or multiple facilities and/or business/economic stakeholders may be impacted with a response by more than one Microsoft organization and a response by external agencies usually required. This could be considered an Uncontained Incident – i.e. controls have failed or are failing to cope.</td>
<td>Large fire, bomb threat, multiple or serious product complaints, earthquake with no injuries or permanent structural damage, significant PR impact.</td>
</tr>
<tr>
<td>Level 3 (CORPORATE)</td>
<td>Major - A critical event that may dramatically impact the Area's profitability, reputation, or ability to operate, with potential enterprise-wide implications. Multiple facilities/sites are likely to be impacted with response by multiple Microsoft organizations required. This could be considered a Crisis – i.e. the incident is impacting the wider organization and extraordinary resources are required to manage impact.</td>
<td>Major natural disaster, terrorism event, workplace violence, civil unrest, threat to Microsoft public image.</td>
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**Disaster Management**
- Initial calls go through Global Security Operations Center (GSOC) for routing and classification of Incident Management (IM) level (for CM and EBCM events).

- Based on determination, the event will either reside with the US IM team for management and coordination or be escalated to the CM team.
Enterprise Crisis Management – Phased Approach

**Watch**
- Understand scenarios
- Establish watch criteria
- Use early warning signals
- Perform audits
- Provide training
- Communicate

**Mobilize**
- Inform Stakeholders
- Initiate management process
- Communicate

**Assess**
- Isolate situation
- Remove threat
- Analyze impact
- Communicate

**Stabilize**
- Prioritize recovery
- Treat damage
- Communicate

**Close**
- Review Root Cause
- Update Process
- Communicate

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**During A Crisis**
- Understand scenarios
- Establish watch criteria
- Use early warning signals
- Perform audits
- Provide training
- Communicate
- Inform Stakeholders
- Initiate management process
- Communicate
- Isolate situation
- Remove threat
- Analyze impact
- Communicate
- Prioritize recovery
- Treat damage
- Communicate
Tools for Success

- Member Action Guides
- E-Sponder Collaboration Tool
- Knowledge Transfer Sessions
- Exercises
- Clear Rhythm of the Business

Disaster Management
A Pandemic is viewed as a communicable (infectious) disease outbreak that occurs over a wide geographic area and affects a high proportion of the human population.

30%-40% of the workforce impacted over a period of 12-15 months.

Business Impacts include:
- Bandwidth considerations due to telecommuting.
- Routine supply and delivery chains are likely to be disrupted to some degree.
Enterprise Pandemic Planning (cont,)

Seasonal Flu/Influenza

Caused by viruses that attack the respiratory tract such as the nose, throat and sometimes the lungs of humans. Symptoms usually last for about a week.

Avian Influenza

Group of many different influenza viruses that primarily affect birds, particularly water fowl. It usually causes only mild illness or no illness in infected birds.

Pandemic

Worldwide outbreak of a disease that occurs when a new type of virus emerges in the human population.
MS, in collaboration with ISOS, has developed a best practice structure to address a Pandemic situation.

Cross group Pandemic Team to manage a well rounded plan.

Engaged external organizations to host National Pandemic Forum (2008).

## Plan Sections
- Example (s): Optimizing Employee Health
- Business Continuity

## Triggers
- Per Plan Section
- In and Out of Affected Region

## Rationale
- Steps to Address
- Ownership

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<th>Pandemic Planning Structure</th>
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<td>Disaster Management</td>
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Microsoft® Disaster Response

Our Mission

Improve the disaster response capabilities of lead disaster response organizations, customers, and partners through use of Information and Communication Technology (ICT) solutions, expertise, partnerships and community involvement.
Lack of common operational picture impedes efficient response.

Increasing interagency coordination / complexity.

Mapping / topography identification is outdated, slow and paper-based.

Difficult to disseminate information quickly.
Microsoft Disaster Response Focus Areas

- **Information and Communications Technology (ICT) Leadership**
  - Utilize ICT solutions and expertise to improve response organizations’ disaster response capabilities and assist customers and partners with business continuity

- **Global Partnerships**
  - Work with public, private and non-governmental organizations worldwide to extend the positive impact ICT in disaster response

- **Community Involvement**
  - Help increase resources to response organizations by connecting citizens and employees to donation and volunteer opportunities
ICT Leadership

Utilizing ICT solutions and expertise to improve response organizations’ disaster response capabilities and assist our customers and partners with business continuity efforts.

ICT Solutions for Governments, NGOs, and IGOs

Provide solutions and services to enhance communication, foster collaboration and support situational analysis.
- MSFT/Partner ICT Consultant
- Online services solutions
- Partner solutions

Business Continuity for Customers and Partners

Provide free/limited duration IT offerings for business continuity and infrastructure support during disasters.
- Temporary use of software/product key activation
- Access to Microsoft CSS
- Deployment of MCS resources

Disaster Management
Global Partnerships

Working with companies, nonprofits and public-sector agencies to extend the positive impact of ICT in disaster response globally

Public/Private Partnerships

Partnering with governments, IGOs and NGOs to proactively build ICT solutions and engagement models

- Partnering with NetHope to enable NGOs to improve capacity/efficiency using ICT
- Supporting the ECB Project to establish online collaboration to conduct technology assessment

Private Sector Partnerships

Identifying areas to integrate resources to provide comprehensive solutions

- Participating in Information Technology Information Sharing and Analysis Center (IT-ISAC)
- Collaborating with hardware and wireless providers to equip mobile workstations

Disaster Management
Community Involvement

Increasing resources to response organizations by connecting citizens and employees to donation and volunteer opportunities

Providing Public Awareness

Utilizing social media resources to promote public awareness and connecting people to volunteer and donation opportunities

- Microsoft.com
- MSN.com
- Windows Live services

Empowering employees to volunteer and give

Empowering employees to volunteer and contribute to community disaster response efforts

- Providing paid time off (three days internationally) or, in the U.S., $17 matching per employee volunteer hour to eligible organizations
- Matching employee financial donations 1 for 1
Microsoft Disaster Response Support Model

Flexible and scalable team for delivering assistance to affected communities

**Subsidiary Response Team**
- Front line of Microsoft disaster response
- Lead tactical response efforts
- Manage key relationships directly

**Area Response Team**
- Provide supplemental support to subsidiary
- Supply additional resources
- Can be activated to assist in a moderate disaster

**Corporate Response Team**
- Coordinate ICT offerings and resources
- Provide expertise to support the subsidiary and area teams
- Can be activated to assist in a major disaster

Disaster Severity Levels
- Minor
- Moderate
- Major
Resources

For more information about Microsoft Disaster Response program or assistance with managing a response:

• E-mail MSFTDR1@microsoft.com
• Visit www.microsoft.com/humanitarianrelief