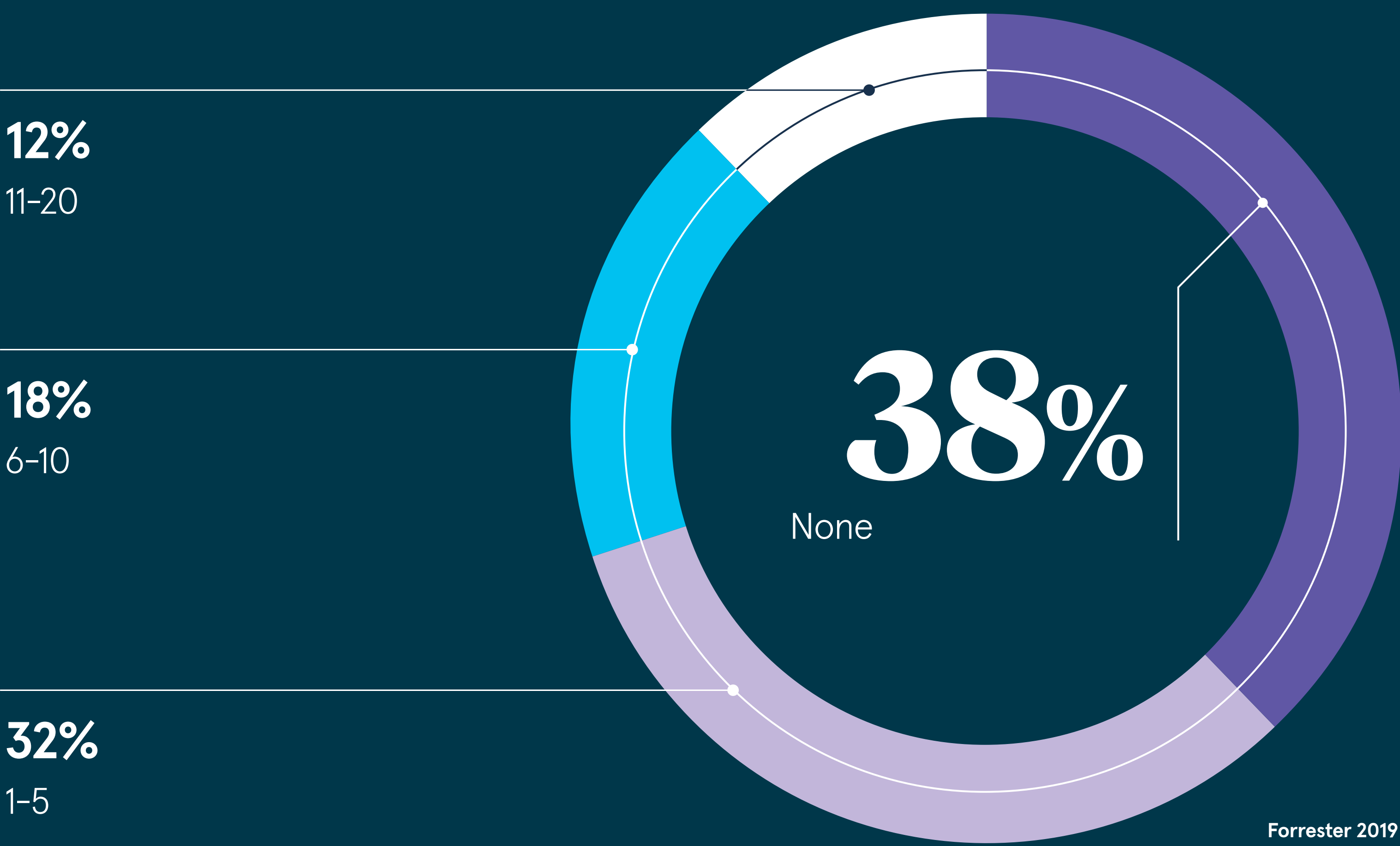


COPING WITH COMPANY CRISES

From cybercrime to geopolitical disruption, corporate crises can come in many forms. But what is vital is that companies have formal structures in place to deal with issues immediately as they arise – and mitigating the risk of them happening again

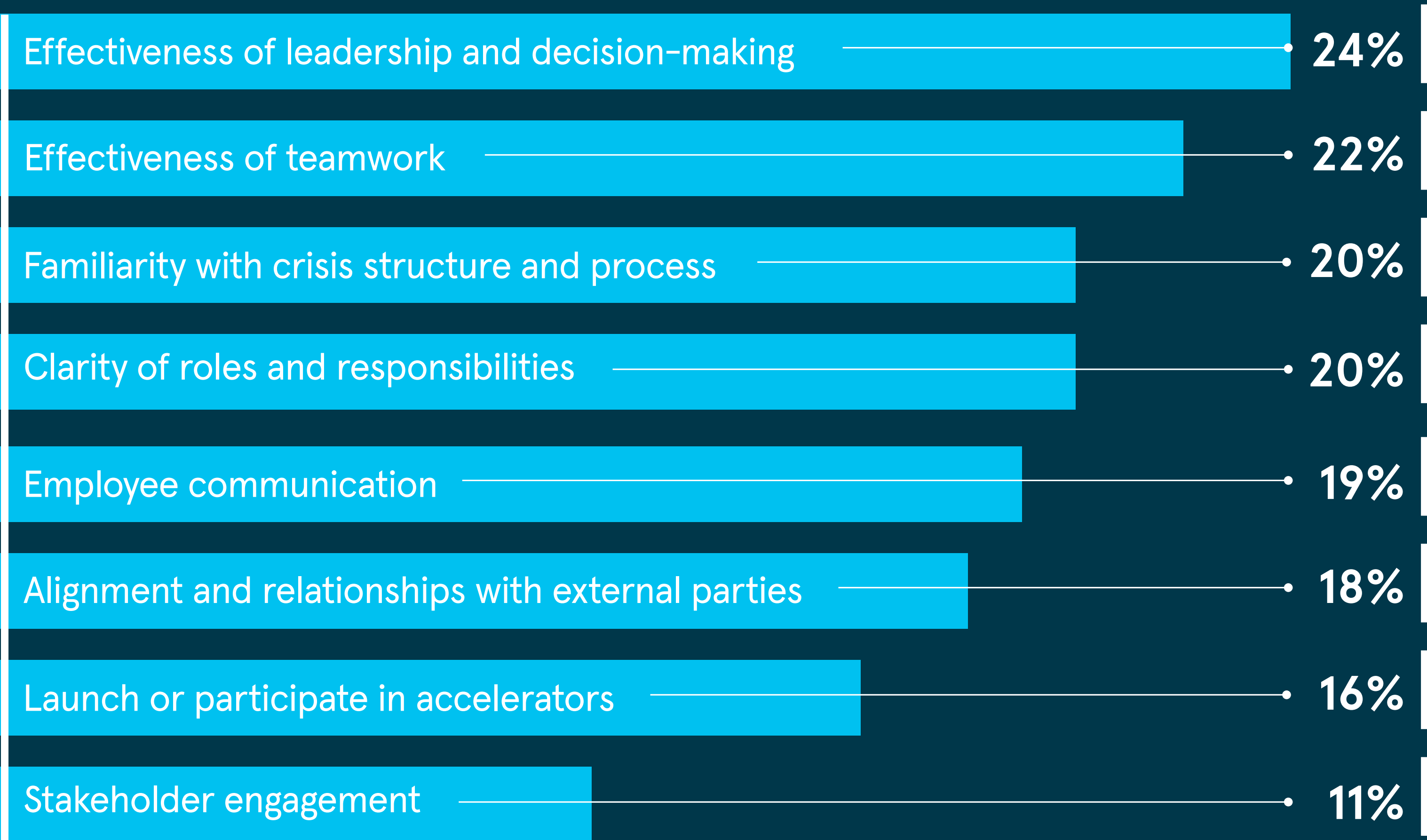
FREQUENCY OF CRITICAL EVENTS

How many critical risk events (where there were significant financial or business impacts) companies have suffered in the past three years



CHALLENGES TO EFFECTIVE CRISIS RESPONSE

Top challenges, according to crisis management, business continuity and risk executives



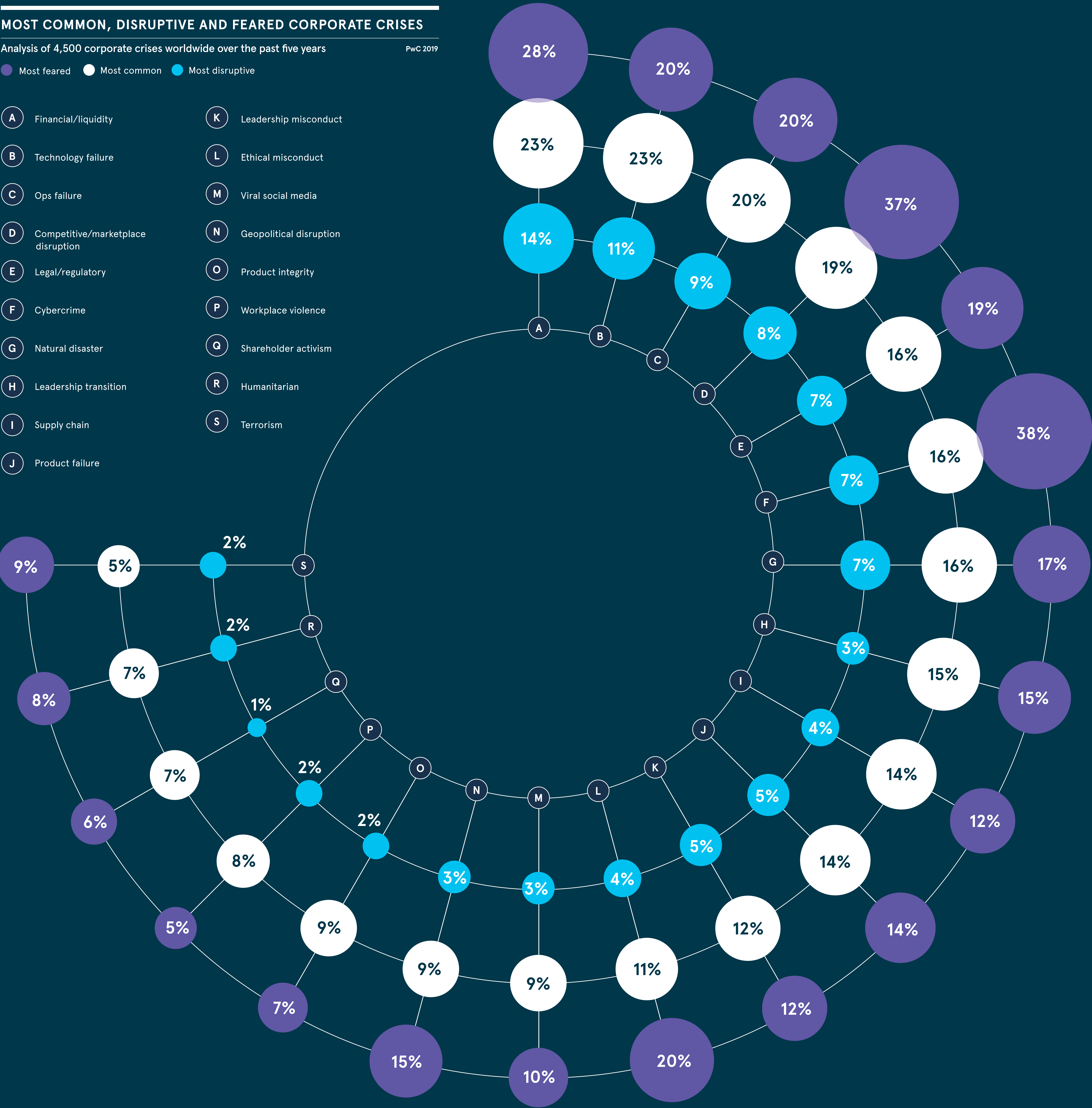
MOST COMMON, DISRUPTIVE AND FEARED CORPORATE CRISES

Analysis of 4,500 corporate crises worldwide over the past five years

PwC 2019

Most feared Most common Most disruptive

- | | |
|--------------------------------------|---------------------------|
| A Financial/liquidity | K Leadership misconduct |
| B Technology failure | L Ethical misconduct |
| C Ops failure | M Viral social media |
| D Competitive/marketplace disruption | N Geopolitical disruption |
| E Legal/regulatory | O Product integrity |
| F Cybercrime | P Workplace violence |
| G Natural disaster | Q Shareholder activism |
| H Leadership transition | R Humanitarian |
| I Supply chain | S Terrorism |
| J Product failure | |



TOP LESSONS LEARNT FROM HAVING EXPERIENCED A CRISIS

Lessons that organisations have learnt or would do differently following a recent crisis

33%

Improve detection and early warning systems

27%

Invest more effort in prevention

26%

Do more to better identify potential crisis scenarios

18%

Better define the chain of command for specific scenarios

17%

Communicate more effectively with employees

FORMAL STRUCTURES TO DEAL WITH CRISES

How enterprise risk management (ERM) decision-makers describe their organisation's ERM programme

36%

We have a formal ERM programme with a chief risk officer or similar role

25%

We have a single director or head of risk that is responsible for select areas of risk management but doesn't have the broad reach of an enterprise programme

22%

We have several risk management groups or teams, but they are not connected by a single programme

16%

We have no formal ERM programme(s)