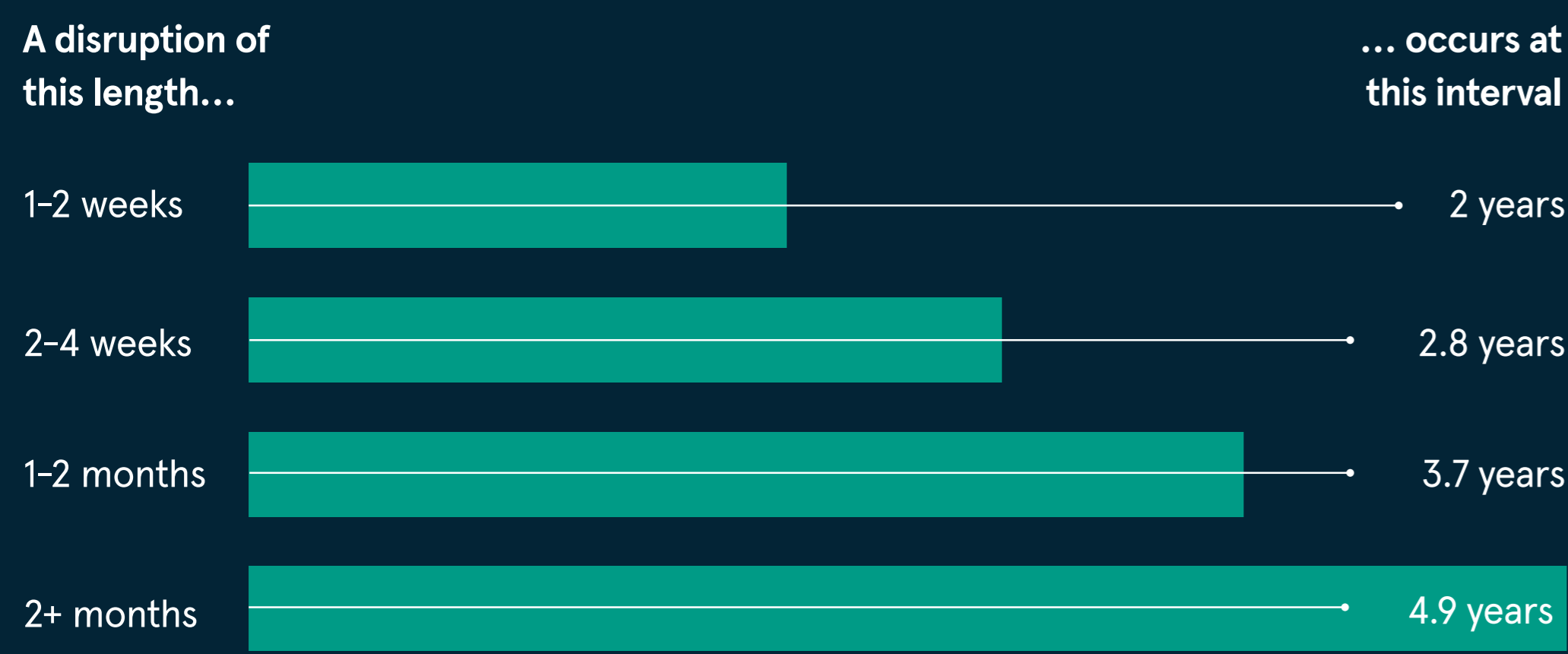


# RESPONDING TO DISRUPTION

Supply chains have suffered a series of disruptions in recent months, ranging from Brexit and Covid-19 to the Suez Canal blockage and the HGV driver shortage. So-called black-swan events are seemingly becoming more regular occurrences, which makes the ability to respond and recover quickly from them increasingly crucial for any business seeking a competitive edge

## SUPPLY CHAIN SHOCKS ARE BECOMING MORE FREQUENT AND SEVERE

Frequency of supply chain shocks



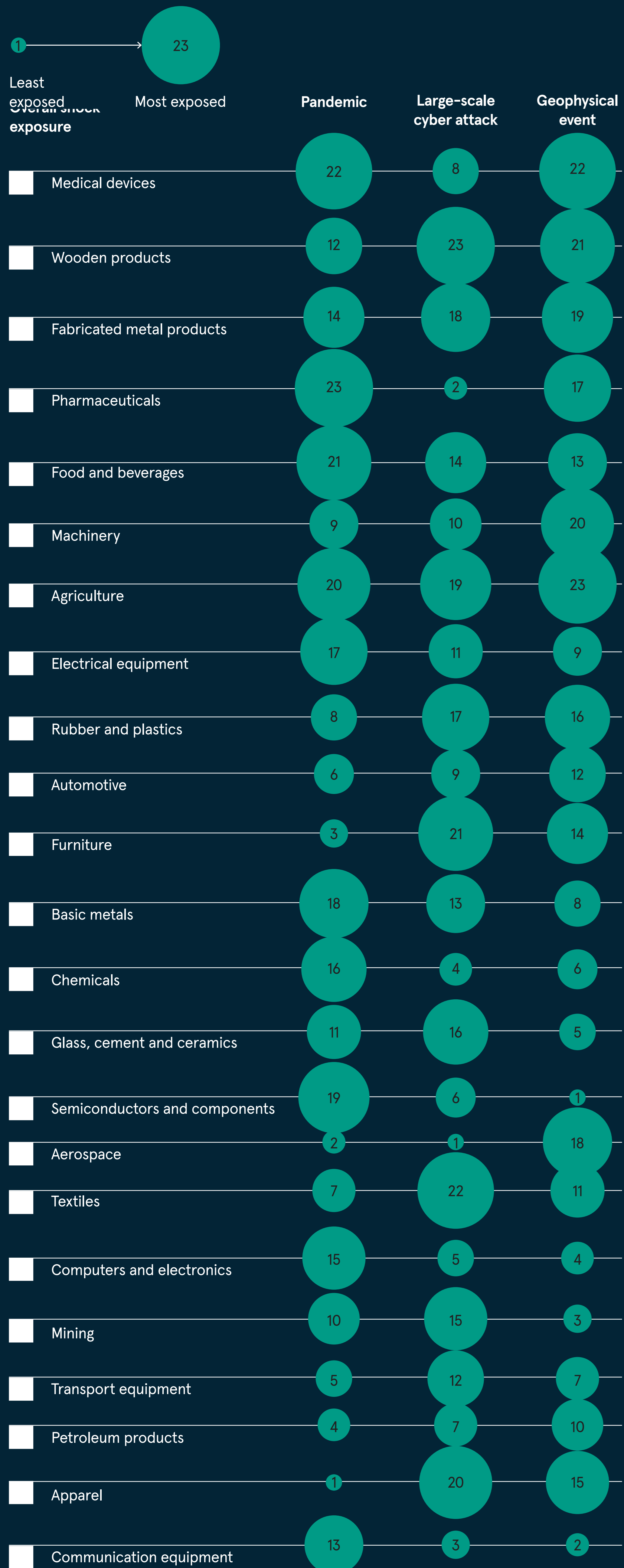
McKinsey, 2021



MHI, 2021

## SUSCEPTIBILITY TO SUPPLY CHAIN DISRUPTION VARIES SIGNIFICANTLY ACCORDING TO THE SHOCK AND THE SECTOR

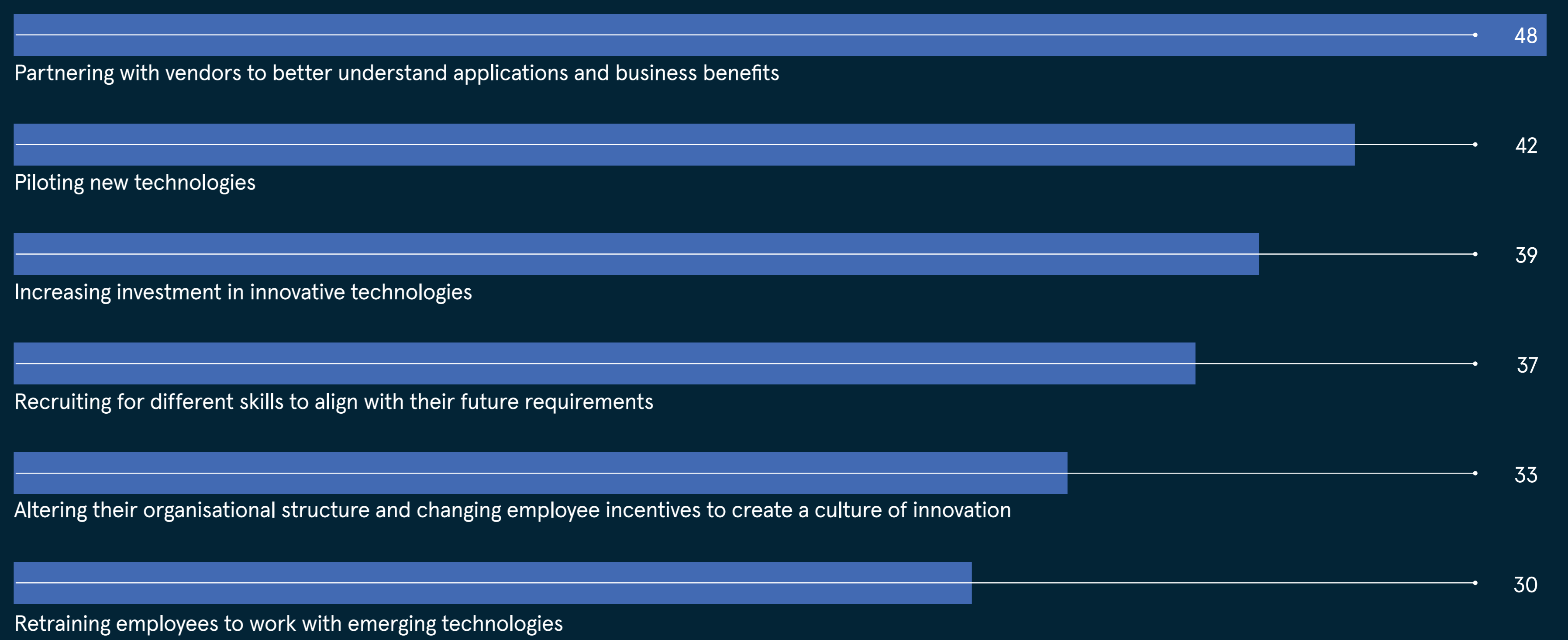
Rankings of supply chains' exposure to shocks in 2020



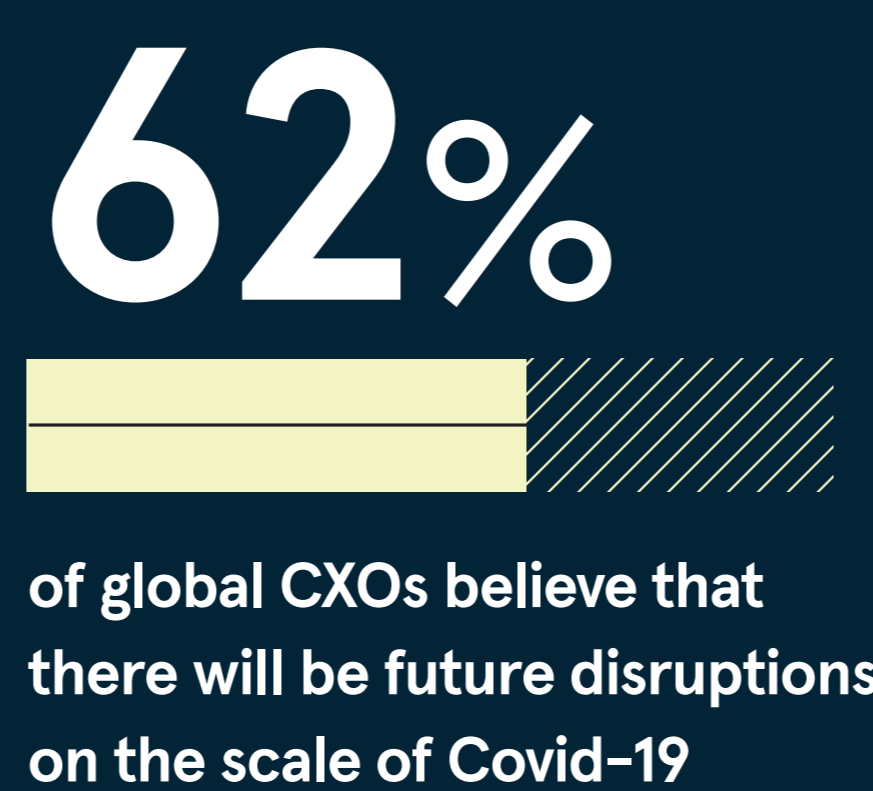
McKinsey, 2021

## COMPANIES ARE TAKING ACTION TO PREPARE FOR CHANGES OVER THE NEXT 10 YEARS

Percentage of companies taking the following actions



MHI, 2020



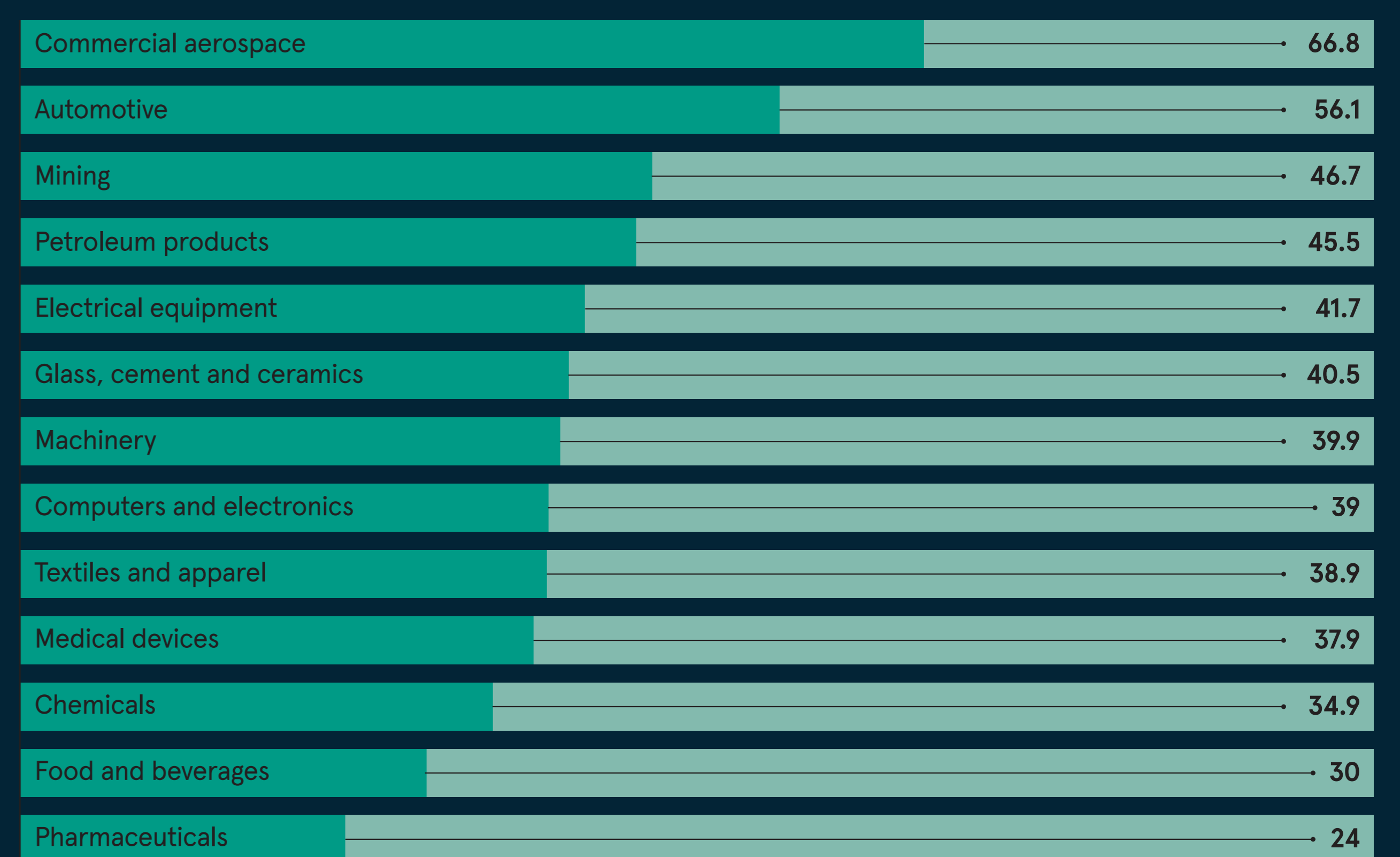
Deloitte, 2021



McKinsey, 2021

## LOSSES FROM SUPPLY CHAIN DISRUPTIONS VARY FROM SECTOR TO SECTOR

Net present value of expected losses over 10 years (% of annual Ebitda)



McKinsey, 2021

## 2020 DISRUPTION PROMPTED MANY BUSINESSES TO INVEST IN PREPAREDNESS

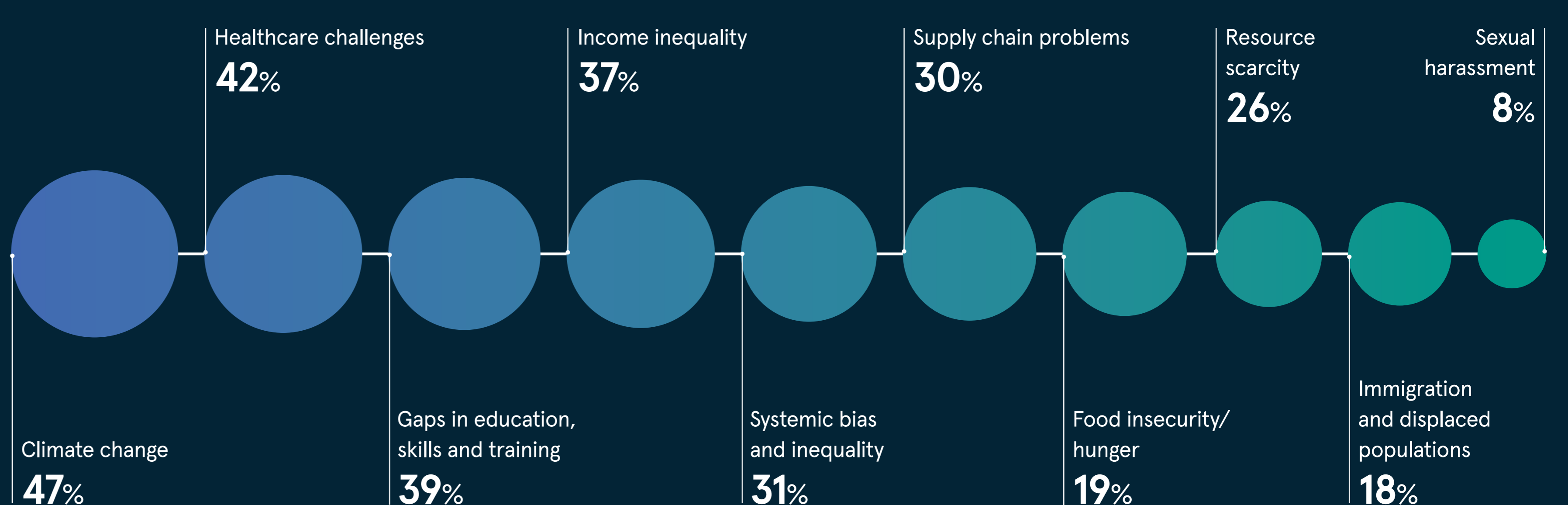
Percentage of organisations that have implemented the following to prepare for disruptive events



Deloitte, 2021

## THE BIGGEST SOCIETAL CHALLENGES FOR THE PRIVATE SECTOR OVER THE COMING DECADE

Percentage of CXOs saying the following problems are critical for businesses to tackle



Deloitte, 2021