



Emergency Preparedness and Business Continuity Plan

Including Pandemic Preparedness

March 2020

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1. Scope

The Vallen Emergency Preparedness and Business Continuity Plan exists to provide guidelines for emergency recovery for employees and properties of Vallen Distribution Inc. in the event of catastrophic events such as fire, earthquake, flood, tornado, hurricane, workplace violence, and pandemic.

Vallen's ultimate objective is the safety and welfare of all employees and the operational recovery of its facilities. Our intent is to restore business operations as quickly as practical after a major disaster or event to provide adequate service to our customers.

The Emergency Preparedness and Business Continuity Plan is a documented plan that enhances our ability to become more effective, efficient and knowledgeable in responding to an event that disrupts normal business functions at Vallen. The plan identifies key procedures and processes to retain and restore system integrity and lines of communication to the employees, branches, and customers.

The Vallen Emergency Preparedness and Business Continuity Plan is developed with the following in mind:

- Plan for worst case scenario
- Simplicity and usability
- Established chain of command
- Clear assignments and responsibilities
- Flexibility
- Commitment to resources
- Training

2. Vallen Emergency Response Team

Once notified that an incident has occurred, Vallen senior management as listed on Attachment 1 will coordinate the response. They will assign associates to cover the following areas, each of which is further defined in section 14:

- Branch Facilities and Property Protection
- IT Systems and Communication
- Human Resources
- Customer Contacts
- Operations
- Vendor Management
- Finance and Insurance

3. Critical Business Functions

The following identifies essential areas for the operation of the company in the event of an emergency:

- Fire
- Flood
- Earthquake
- Tornado
- Hurricane
- Workplace Violence
- Pandemic

- Corporate and Branch Facilities & Property Protection/Business Continuity
 - Corporate and branch assessments
 - Security
 - Auxiliary power
 - Notification and reporting of event through reporting chain (see Attachment 5)
 - Vehicles and equipment
 - Team supplies
 - Coordination of alternate forms of transportation

- IT Systems & Communications
 - Data backup and restoration
 - System integrity
 - PC provision
 - Communication provision to include phone and email

- Human Resources
 - Employee assistance
 - Employee contact
 - Payroll recovery

- Customers
 - Coordinate efforts with key customers to meet needs
 - Ensure account coverage is taking place
 - Develop action plan to meet with all key customers

- Operations
 - Assess branches' needs
 - Account for employees' needs/Contact employees
 - Assess damage of facilities
 - Implement alternative operations for business
 - Identify those who are CPR/First Aid-certified
 - Medical/First Aid equipment
 - Contact key government agencies, i.e., FEMA, state and local government agencies

- Inventory
 - Inventory assessment/stock replenishment
 - Vendor contact
 - Transportation and logistics
 - Food, water, perishable items

- Internal and External Communication
 - Communication to employees
 - Communication to customers
 - Communication to vendors
 - PR / media relations

- Financial/Insurance
 - Assess property damage/loss of life
 - Assist in determining costs of moving/alternative locations
 - Provide contacts for insurance and banking

- Provide information to customers and vendors regarding payments
- Restoration provisions for AR and AP
- Provide access to Cash Advances
- Restore credit card functions
- Preparedness checklists

4. Location Preparedness

The following defines how the company will support the branch in the event of an emergency:

- Employee and family safety
 - Evacuations
 - Employee Assistance Support Line – HR
 - Determine who is CPR/First Aid certified
- Vallen property
 - Security
 - Emergency phone numbers – clearly posted
 - Fire, Police, Natural Gas, Hospital, Other
 - Auxiliary power source – generator at selected sites
- Lodging
 - Hotel accommodations
 - Alternative lodging options
- Emergency supplies
 - Personals and incidentals
 - Tools and supplies
 - Food
 - Water
- IT
 - Systems
 - Communications
- Branch recovery assistance teams
 - Teams may be sent to branch to assist with:
 - Assessment
 - Sales support - inside / outside
 - Purchasing support
 - Logistics
 - Warehouse
 - Drivers
 - Transportation
 - Branch clean up
- Fuel
- Access to funds/cash advances
- Emergency access authorization/Highway Patrol

5. Checklists

These provided checklists are not all encompassing and are only guides:

- Emergency Considerations Checklist: See Attachment 3

6. Key Contact Information & Communication

In the event of an emergency, the following should be kept in mind:

- Key contacts lists
 - Corporate and key leadership contact list (Attachment 1)
 - Branch contact link to Site Directory (Attachment 2)
 - Incident Reporting Chain (Attachment 4)

Each branch location should maintain a “public” calling-tree in a prominent place within the branch, such as a bulletin board. This listing of telephone numbers should include emergency numbers for the utilities (gas, electric, and water), along with emergency numbers for the police, medical and fire departments.

Communication with Vallen associates and family

If the location is to be closed every effort will be made to communicate this to all affected associates. Depending on circumstances methods can include:

- Being told in person by their manager (or other Vallen manager).
- Contacted by e-mail, text, and/or phone via app.
- Dialing a provided number to receive a recorded message from the voice mail system (Works best if set up in advance).
 - Managers can get this set up by following the three steps listed below:
 - Contact the Helpdesk to have an extension set up,
 - Record the message you would like the associates to receive (Update as appropriate).
 - Provide the number to associates working at your location.
- Be called at the number they provided for emergency contact in the HR benefits / payroll system.

Communication with the media (newspapers, radio, TV, local or national)

In the event that the media arrive to interview associates about the situation, the most senior associate on site should explain:

“At this time, our company is actively engaged in implementing our emergency preparedness plan. I am sure you understand that our priority is the safety of our associates and their families. Please refrain from questioning our associates so that they can focus on their immediate responsibilities.

You may direct further inquiries to Vallen President Chuck Delph at chuck.delph@vallen.com, CMO Kris Burgoon at Kris.burgoon@vallen.com or Vice President Marketing for Sonepar USA Scott Schuenke at Scott.Schuenke@Sonepar-us.com.

Thank you.”

7. Fire

If an odor of something burning is detected, but no smoke or flame is showing, immediately call manager/supervisor, safety or security. This is important for two reasons:

- a. The contacted party will immediately investigate and decide if fire department assistance is required.
- b. If the building needs to be evacuated, the announcement must be made by the alarm system and/or paging system.

If an odor of something burning is detected outside normal operation/business hours, but no flame is visible, call the manager/supervisor to investigate.

If a small blaze is discovered, use the fire extinguisher(s), while someone else calls the fire department (911 internal) and manager/supervisor. The alarm should be sounded, and the building should be evacuated. On instructions to evacuate the building either by the alarm, by the manager or alternate manager, evacuate the building using the stairwells. **DO NOT USE ELEVATORS.** Walk rapidly. **DO NOT RUN.** Use the nearest exit.

Once outside the building, go to your respective assembly area so that your manager can account for all department personnel.

Fire Event Reminders:

1. If you smell or see heavy smoke or a fire, immediately call the fire department at 911 from an internal phone or from your mobile device and give the location of the fire.
2. Do not attempt to extinguish a fire unless you are trained to do so.
3. Notify the people in the fire area by sounding the fire alarm and shouting fire.
4. Employees should immediately begin to exit the building via the exit(s) marked on the Facility Emergency Evacuation Plan Map. Do not use the elevator. Employees should not stop to gather personal belongings or computers.
5. Employees should exit the building through the alternative route listed on the map if the primary exit is obstructed. Employees should know these designated exit routes prior to any emergency.
6. Crawl low on the floor if there is heavy smoke and cover your nose and mouth with a wet cloth if possible.
7. Exit in an orderly manner. Walk quickly but do not run. Stay calm.
8. If you become trapped in a building during a fire and a window is available, place an article of clothing outside or on the window as a marker for rescue crews.
9. For any disabled employee, the immediate supervisor will be the primary person responsible for ensuring that the disabled employee exits the building to a safe location. The backup person(s) responsible for any disabled employee will be other employees in the immediate department.
10. Once you are outside the building, move to the designated assembly area for that building (see map). Keep streets, fire hydrants and lanes, and walkways clear for emergency vehicles and crews.
11. Senior personnel should report the fire. (Attachment 4)
12. **DO NOT RETURN TO AN EVACUATED BUILDING UNLESS YOU RECEIVE PERMISSION FROM THE EMERGENCY RESPONSE CREW.**

Take Special Precautions to Attempt to Prevent Fires:

1. Do not burn candles or incense in the office/building.
2. Do not use unapproved electric space heaters and follow the manufacturer's operating instructions when operating approved devices.
3. Do not smoke in the office/building.
4. Distinguish and properly dispose of all cigarettes.
5. Watch for improper wiring practices (e.g. extension cords), worn out or tangled wiring, and report to management.
6. Keep work areas clean and clutter free.
7. Properly handle and store chemicals.

8. Flood

Terminology to understand:

- Flash Flood Watch- Flash flooding is possible in the given area of the watch. Flash flood watches are usually issued for flooding that is expected to occur within 6 hours after heavy rains have ended.
- Flash Flood Warning- Flash flooding is occurring or is imminent in the warning area.

Basic Flood Plan:

1. Take notice of your surroundings and determine the risk of flooding.
2. During heavy rainfall, conditions will be monitored to determine the potential threat of flooding.
3. Employees will be notified if flooding conditions are imminent.
4. Vital records will be placed in waterproof file cabinets or plastic bags and put on high shelves or removed from the building to a safe location.
5. IT assets will be unplugged and moved to best protect them from water damage.
6. If flooding occurs, employees will be evacuated from low lying areas in the facility or sent home until further notice.
7. Utility services to evacuated areas will be disconnected, if possible.
8. Entry back into an evacuated area will not be allowed until the area has been deemed safe by emergency work crews.
9. After employees have been evacuated the most senior employees on site will report the flood.
10. **DO NOT RETURN TO AN EVACUATED BUILDING UNLESS YOU RECEIVE PERMISSION FROM THE EMERGENCY RESPONSE CREW.**

9. Earthquake

Earthquakes strike suddenly, violently and without warning. Identifying potential hazards ahead of time and planning can reduce the dangers of serious injury or loss of life from an earthquake.

In the event of an earthquake, the following guidelines should be kept in mind if you are inside a building. Most apply to any structural damage to the building:

1. Stay inside. It is dangerous to attempt to leave a building during an earthquake because objects may fall and cause serious injury.
2. Drop, cover and hold on. Drop under a sturdy desk or table; cover your eyes by pressing your face against your arm and hold on until the shaking stops. If there is no table or desk nearby, an inside wall or a doorway may provide some protection.
3. Stay away from places where glass could shatter around windows, mirrors, pictures, or where heavy bookcases or other furniture could fall over.
4. The building must be evacuated according to the EAP (as outlined in the previous section) as quickly as possible after an all clear is sounded. If aftershocks begin, "drop, cover and hold on" as described above.
5. Once outside stand away from buildings, trees, telephone and electric lines.
6. Maintenance staff should check for gas leaks, downed power lines or shorts and turn off electricity, gas and water as quickly as possible to reduce the risk of fire or other damage.
7. If there are injuries, give first aid when appropriate. Do not move seriously injured persons unless they are in immediate danger of further injury. Call 911 from an internal phone or from your mobile device.
8. After employees have been evacuated the most senior employees on site will report the earthquake.
9. **DO NOT RETURN TO AN EVACUATED BUILDING UNLESS YOU RECEIVE PERMISSION FROM THE EMERGENCY RESPONSE CREW.**

10. Tornado

A tornado **watch** means that conditions are favorable for the development of tornadoes within the next couple of hours. Tornado watches are often issued an hour or two before severe weather begins, and they stay in effect for about six hours or until the thunderstorms pass through. Tornado watch boxes cover huge areas; usually multiple states at a time. You should be cautious and keep a close watch for rapidly changing weather when a tornado watch is in effect.

A tornado **warning** means that a tornado is imminent, and you need to immediately seek shelter to protect yourself. Tornado warnings are issued when meteorologists detect strong rotation in a thunderstorm on radar — which indicates that a tornado is likely on the ground — or when spotters actually see a tornado on the ground. Tornado warnings are often called “polygons.” These polygons usually cover one or two counties and appear on most maps in red.

There is a rare third option — the tornado **emergency**. Tornado emergencies are issued when a large, violent tornado is confirmed by spotters and is moving into a heavily populated area.

In the event of a tornado, the following guidelines should be kept in mind if you are inside a building. Most apply to any structural damage to the building:

1. Stay inside. It is dangerous to attempt to leave a building during a tornado because blowing objects may cause serious injury.
2. Calmly move to the tornado shelter if there is one. Otherwise move to the center of the building away from windows on the lowest floor possible, below ground level is preferable. Do not use an elevator.
3. Once in the sheltered area, crouch down and cover your head.
4. The building must be evacuated according to the EAP (as outlined in the previous section) as quickly as possible after an all clear is sounded.
5. Once outside, stand away from heavily damaged buildings, be careful of puddles that have a power line laying in them or any downed power lines.
6. Maintenance staff should check for gas leaks, downed power lines or shorts and turn off electricity, gas and water as quickly as possible to reduce the risk of fire or other damage.
7. If there are injuries, give first aid when appropriate. Do not move seriously injured persons unless they are in immediate danger of further injury. Call 911 from an internal phone or from your mobile device.
8. After employees have been evacuated, the most senior employees on site will report the tornado.
9. **DO NOT RETURN TO AN EVACUATED BUILDING UNLESS YOU RECEIVE PERMISSION FROM THE EMERGENCY RESPONSE CREW.**

11. Hurricane

A hurricane watch means that hurricane conditions (sustained winds of 74 mph or higher) are possible within the specified area. A hurricane watch is issued 48 hours in advance of the anticipated onset of tropical-storm-force winds in an area. During a hurricane watch, prepare the facility and review the specific plan for that location.

A hurricane warning means that hurricane conditions are expected within the specified area. Because outside preparedness activities become difficult once winds reach tropical storm force, warnings are issued 36 hours in advance of the anticipated onset of tropical-storm-force winds. During a hurricane warning, complete your preparations and immediately evacuate if directed by local authorities.

1. VP of Operations sets up proactive Hurricane call with the Hurricane Leadership team and local management for sites in the path of the potential hurricane.

2. Each team member is responsible for taking action for the area they are responsible for example: Finance to open credit cards for cash advances, operations to move hurricane trailer closer to potential areas, sites to have current contact information etc.
3. Follow the Hurricane plan developed for your location.

12. Workplace Violence

If you are concerned about the possibility of future violence:

- Contact your supervisor and review the situation with them.
- Contact your human resources associate and review the situation with them.

If confronted with the immediate threat of violence:

- Do not challenge the violent or armed individual.
- Do not attempt to disarm the violent or armed individual.
- Cooperate and comply with any instructions given by the violent or armed individual.
- Get yourself and others away from the potentially violent person.
- Get out or hide / evacuate the area.
- Once safe, report the incident to the first reachable supervisor in your chain.
- Once safe, call 911 from an internal phone or from your mobile device.

13. Pandemic Preparedness

A pandemic is a global disease outbreak and can be caused by a variety of agents, including influenza and coronaviruses. During a pandemic, transmission can be anticipated in the workplace not only from patients to workers in healthcare settings, but also among co-workers and between members of the general public and workers in other types of workplaces. (Source: [OSHA FactSheet](#))

In the event of pandemic, Vallen will follow guidelines and recommendations from the [CDC](#) as well as local government agencies, and leaders will ensure communication of specific actions required.

Standard preparedness and precautions during early stages include:

- Actively encourage sick employees to stay home.
- Educate and encourage personal hygiene and health safety practices.
- Encourage WebEx or conference calls rather than travel or face to face meetings.
- Review business continuity planning at each location to ensure coverage of customer needs during higher than typical absenteeism.

Higher levels of pandemic require additional action to prevent spread of illness, which may include any or all of the following:

- Implement travel bans or restrictions to affected areas.
- Monitor local closures and implement remote work or telecommuting to ensure business continuity and customer service.
- Screen those visiting a Vallen-operated facility for travel to affected areas and symptoms of illness.
- Require the use of non-pharmacological interventions and personal protective equipment (PPE) such as masks, gloves, social distancing, etc.
- Quarantine measures may be required by governments and regulatory agencies.

At customer locations:

- Vallen associates will comply with all measures implemented at customer sites.
- Vallen associates will review pandemic planning and key responses with customer contacts.
- Vallen will create business continuity plans at each location to ensure minimal disruption to business operations.
- We will communicate on a regular basis with customers regarding potential supply chain disruptions or other impacts.

14. Responsibilities

14.1 Branch Facilities and Property Protection:

Responsibilities:

- Develop contingency plan to secure/relocate office/warehouse space if our existing corporate/branch facility is damaged/destroyed.
- Oversee Corporate and Branch Assessment, relocation plan & security to include: Team Supplies, Utilities, Identify Construction Contractors/Sub-Contractors, Vehicles and Equipment.
- Evaluate temporary alternative communication devices, i.e. 2-way radios.

14.2 IT Systems and Communication

Responsibilities:

- Develop plan that will ensure adequate provisions for data backup and system integrity.
- Provide short term and long plan to have corporate and branch computer systems operable.
- Provide alternative solutions for computer systems, backup computers, laptops, wireless cards, branch inventory (cost - sell), etc.
- Provide interim communication solutions to include phone and email.

14.3 Human Resources

Responsibilities:

- Establish Employee Assistance program.
- Establish and maintain an employee contact database.
- Provisions for payroll recovery plan and insurance.
- Provisions for emergency housing for displaced employees.

14.4 Customer Contacts

Responsibilities:

- Identify key customers / contact lists and develop proactive plan to address initial emergency needs, account coverage, pricing policy, billing, etc.
- Develop action plan and time to meet with all key customers.

14.5 Operations:

Critical Business Functions: Operations/Branch equipment, vehicle recovery and employee contingency plan, Internal and external communication.

Responsibilities:

- Assign a Response Lead.
- Responsible for branch checklists.
- Select appropriate "alternative" facility for use in the event that the current facility is unusable.

- Select alternative phone strategy in the event that calls need to be directed away from a particular facility.
- Provide auxiliary power – e.g. generator with monthly testing.
- Develop branch assessment / security plan.
- Account for all employees - safe and secure.
- Develop plan to ensure all utilities and infrastructure requirements are re-established.
- Develop emergency contact lists.
- Ensure that auxiliary generator is obtainable at all times.
- Identify branch chain of command and notification / reporting chain prior to the event if possible. All managers and supervisors are first required to account for their employees and advise status to member of Emergency team.
- Communication to employees, customers, suppliers - explanation of critical event, what we are doing - where we are - when and where we are going to open for business.
- Establish Leadership contact lists.
- Employee teams - designate 1 -3 response teams to be deployed to affected area immediately after event.
- Contact Finance for cash advances, if needed.
- Maintain the Location contact list (Attachment 2).

14.6 Vendor Management

Responsibilities:

- Establish key vendor contact and phone lists (home - office -and cell phones).
- Develop a Vendor disaster recovery plan to assist Vallen in the restoration efforts.
- Assess Inventory and availability of critical inventory items.
- Coordinate replenishment of stock.

14.7 Finance and Insurance

Responsibilities:

- Assess Property damage, loss of life, disaster expense (moving, alternate rent).
- Develop a critical list of contacts including insurance and banking.
- Contact vendors and customers regarding payments.
- Develop restoration provisions for billing, accounts payable and accounts receivable.
- Ensure credit cards are active and cash advances are available as needed
- Develop security plan to protect associates or assets if needed

Attachment 1

Corporate Leadership and Key Contact List

Position	Name	Office	Cell
President	Chuck Delph	704-601-6931	407-963-1634
VP Finance	Jim Brzezinski		615-630-3677
EVP Sales	Will Lutz	843-745-2473	843-509-7545
Chief Marketing Officer	Kris Burgoon	704-601-6495	949-300-5507
SVP Human Resources	Janine McManus	704-398-5717	843-568-6621
SVP Operations and CIO	Doug Ball		856-296-9123
VP Financial Shared Services Center	Kim Garrett	678-746-2657	404-217-6530

Communication Resources

VP Marketing Sonepar USA	Scott Schuenke	215-399-5910	
Chief Marketing Officer	Kris Burgoon	704-601-6495	949-300-5507
Director Communications	Lisa Perkins	704-398-5718	704-740-6625

Attachment 2

Location Contact List—go to Site Directory on Inside Vallen
<https://inside.vallen.com/wps/myportal>

Attachment 3

Emergency Considerations Checklist

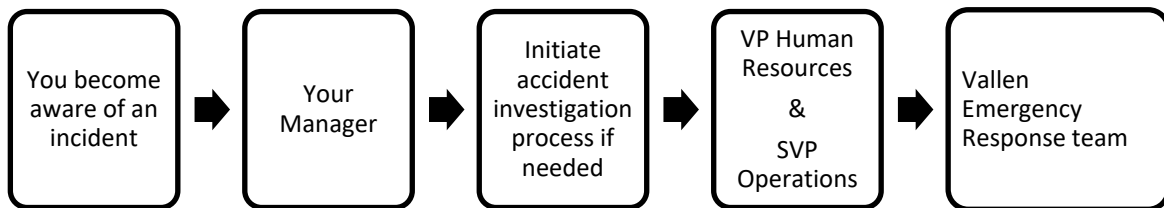
	Security
	Employees
	Facilities
	General communications
	IT – ERP – data/voice communications
	MRO supplies
	Food – Water – Ice
	Auxiliary power
	Fuel
	Transportation – Equipment
	Key contact lists – Employees – Customers – Suppliers – Government
	Employee response teams
	General contractors – Landlord Responsible
	Roofers- Landlord Responsible
	Finance
	Insurance
	Salvage
	Temporary lodging
	Storm stock inventory
	Payroll

Attachment 4

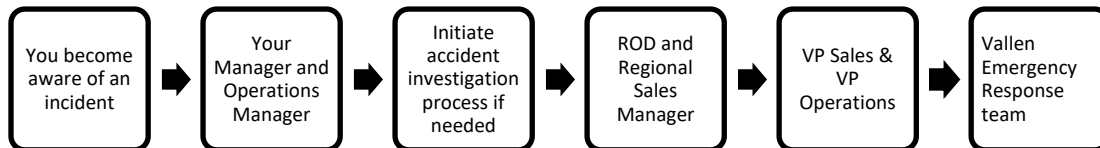
Incident Reporting

It is critical to address the immediate circumstances relating to the incident first. When time is available the incident must be reported as follows:

In a Distribution Center



All other Industrial locations



All Energy Group locations (RES, ISI & TWS)

