



certainty

about asset protection

We cannot afford to have a long-term disruption—it's not an option for a global company operating in a very competitive marketplace. That's why we've put together comprehensive business continuity plans for our major sites and business units. We realize that lost production equates to lost sales, and I am not aware of any company that can afford lost sales.

At Cooper, risk mitigation is built into our planning process. We need world-class facilities to remain competitive and meet our long-term goals. It wasn't always viewed this way. For many years, decisions about insurance and risk management were made entirely at the corporate level, with no input from the operations. That all changed with a merger that nearly doubled the size of our company in 2005. We forged our relationship with FM Global that same year.

And in certain respects, FM Global was a game changer for us because they provide insight and guidance to ensure we are protecting our assets to the best of our ability.

The transition is now complete. The concept of loss prevention is now part of our DNA. Operations management are thinking about risk mitigation when they're doing their planning. During the last two years, we also created an internal risk committee that has helped our various business units understand the importance of a robust business continuity plan and how it can be the most vital document you turn to when placed in the path of a hurricane or in the aftermath of an earthquake. Our board of directors and executives are equally committed to protecting our assets, and their support has been tremendous.

There is a pervasive spirit of partnership within our organization and with FM Global. Among the advantages of working with FM Global are its stability as a mutual company and the vast array of resources it brings to loss protection. We ask FM Global to put on our "business hat" and view the risk from our vantage point. They have gone to great lengths to get to know our people and our business. It's led to strong communication and the understanding that we are in this together.

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Carol Kaufman, Executive Vice President, Secretary and Chief Administrative Officer

