

MARSH RISK CONSULTING

AEROSPACE
RISK ADVISORY SERVICES





The aerospace industry is going through a significant period of change, bringing both lucrative opportunities and fundamental threats to those businesses that operate within it.

Contraction of the industry's defence segment, as a result of global economic pressures and changing government strategies, has led to some decline in production and returns on capital employed. This is compared to record growth in the commercial and business sectors driven by fleet renewals, efficiency improvements and growth in new markets.

The combination of these factors has presented major challenges for aerospace companies within their operational environment, portfolio management, and production strategies.

WITH CHALLENGE COMES RISK, BUT ALSO POTENTIAL OPPORTUNITIES

Leading aerospace companies perceive risk management as essential to maintaining a competitive advantage within their changing environment. Risk can provide significant value when it is managed effectively and plays a prominent role in defining corporate strategy and operational processes, such as reducing costs and improving operational efficiencies; making better informed investment decisions; protecting people, values, and reputation; strengthening key supplier relationships; investing in new geographies and joint ventures; or maximising potential growth opportunities.

At Marsh, we believe aerospace risk should be managed in a decisive manner, reflecting the challenges and accomplishments of the industry itself. Marsh has developed a suite of specific aerospace risk management solutions which are currently being delivered to many of our international aerospace clients, with proven results, such as improved knowledge, assurance, control, and resilience.

The aerospace value chain is typically characterised by the following elements:



The risk management strategy and approach should be undertaken throughout the value chain and involve all key stakeholders from associated business units. Furthermore, the business units, the multi-tiered based supply chain, and increase in joint working and ventures requires even closer collaboration to achieve strategic goals and operational delivery – both internally and for the end customer. The world's leading aerospace companies understand and manage the risk interdependencies and complexities within their internal and external environments to deliver leading solutions and technologies to their customers' on time, every time.

WHO WE ARE

At Marsh, we have a dedicated global team of aerospace risk consultants who have completed many successful engagements with leading global industry clients.

We group our risk solutions into five areas:

- Enterprise risk and resilience.
- Marsh business analytics.
- Property risk consulting.
- Workforce strategies.
- Financial advisory, claims and litigation support.

Our team has a broad range of academic qualifications, industry experience, and memberships of professional bodies with relevance to each of these areas. We focus on supporting senior managers and executives to effectively manage risk so that they can achieve their business objectives, improve performance, optimise delivery, respond to opportunities, engage business growth, and increase shareholder value.

We see our knowledge management (KM) system to be one of our key differentiators. Our KM system is based on an innovative approach to ensure our clients are provided with both current industry best practice and Marsh's collective experience.

WHAT MAKES MARSH DIFFERENT?

Our best practice advice is built around a deep and broad resource base, with both civil and military aerospace expertise and an extensive understanding of the industry's key risks, opportunities, and best practice controls. Our aerospace risk consulting key features include:



WHAT WE DO

We continually develop bespoke value propositions and solutions that help our clients manage and control their risks and achieve their objectives. Our propositions are developed around the following core services.

EMBEDDING AN ENTERPRISE RISK MANAGEMENT CULTURE

The diverse range of risks and opportunities facing aerospace businesses necessitate the need for efficient and robust management to ensure:

- Risks are understood, quantified, and prioritised.
- Risk management supports the decision-making and strategy formation processes.
- Resources are allocated towards the most significant risks.
- The cost of control, compliance, and treatment is effective.
- Risk management is embedded and integrated, taking account of internal and external changes that will impact the organisation's risk profile.

Compliance with aerospace, business, and political regulations, customer requirements, corporate governance requirements, and lending conditions from financiers are some of the drivers for organisations to demonstrate to stakeholders that effective risk management is in place. However, due to the complex nature of risk, the changing global risk landscape, and the speed that risks can materialise, it is now recognised that enterprise risk management (ERM) is an essential part of good business management.

Marsh has a wide range of propositions to help aerospace clients design, embed, and review ERM practices across their corporate and business unit functions. These solutions help to mitigate common aerospace risks, such as product and professional indemnity liability exposures.

STRATEGIC RISK IDENTIFICATION, MAPPING, AND ASSESSMENT

The risk management journey of any aerospace business starts with the identification of the organisation's strategic objectives. Our integrated risk workshops, interviews, forums, and presentations provides senior management with an opportunity to:

- Identify or validate sources of risk to the aerospace business – strategic, financial, hazard and operational.
- Rate each for severity and likelihood, and therefore identify the risk priorities.
- Develop a suite of risk management documentation and allocate resources to manage and mitigate risk priorities.
- Control and monitor the progress made on risk action plans.
- Map key business process risks and opportunities against business strategies.
- Determine control and management actions to reduce exposure.
- Develop risk reporting techniques.
- Create risk management performance metrics, key performance indicators (KPIs), and Key Risk Indicators (KRIs).
- Identify necessary stakeholder roles and responsibilities.
- Evaluate risk exposure alignment to insurance programmes.

OPERATIONAL RISK ANALYSIS REVIEWS

Using an integrated, aerospace industry-proven, and risk prioritised methodology, the operational risk review is designed to determine the extent to which current policies, procedures, and practices comply with applicable aerospace regulations and conform to current industry best practices.

The comprehensive on-site review of operations provides an early warning of any key operational risk sources and highlights any areas of concern that need to be addressed. This will be of significant value to the business as it seeks to validate its current capabilities and enhance the organisation's reputation for risk and safety management.

The review assesses the extent to which existing systems, processes, and controls are susceptible to human and/or technical errors, as well as evaluating the risk of such errors to the organisation itself. This is accomplished through on-site operational observations, on-site interviews with key operational staff, and the review of selected source documents in order to ensure compliance with the appropriate and applicable international and domestic regulations, as well as conformity with internationally recognised standards, recommended practices, and current industry best practices.

Lastly, applicable accident, incident, and safety hazard reports are reviewed to ensure that the resultant safety recommendations and countermeasures have been fully implemented and are delivering the desired results.

RESILIENCE, BUSINESS CONTINUITY, AND CRISIS MANAGEMENT

Emerging threats, the increasing vulnerability of sophisticated multi-tiered global supply chains consisting of vital single source suppliers, and unpredictable natural catastrophes mean that the threat of business interruption to our aerospace clients is as great as it has ever been. An inability to manage the smallest element, event or threat can have catastrophic and lasting consequences.

Customer confidence, brand, and reputation are all susceptible to badly managed incidents or events. In addition, governments and the aerospace investment community expect aerospace businesses to be well governed and competent in managing periods of volatility. Insurers will require evidence of effective risk management before providing insurance cover. That means it is essential to build resiliency into your organisation and its supply chains as well as developing robust business continuity and crisis management plans.

Marsh helps its aerospace clients identify and quantify those threats that cause significant disruption, helping prioritise business-critical activities for recovery, validating and testing resilience arrangements, and assisting with the creation of planning activities.

Our resiliency team provide solutions including:

- Business continuity management (BCM) programme and project management.
- Incident management.
- Emergency response and crisis management plans and teams.

SUPPLY CHAIN RISK MANAGEMENT

With the current aerospace industry trend of original equipment manufacturers (OEMs) moving from vertically-integrated manufacturing to design and system integration, the industry structure has changed to a tier-based network of suppliers. With the outsourcing of services and personnel and the reliance on international supply chains, it is imperative that third party service providers are regularly assessed to determine their ability to meet both regulatory requirements and client expectations. Marsh has significant consulting experience in:

- Mapping supply chains and identifying and quantifying supply chain risks.
- Developing the appropriate supply chain risk management strategies and requirements.
- Determining maturity of supply chain approach and practices.
- Quantifying the loss and impact of a supply chain failure.
- Establishing best practice and supplier performance metrics.
- Determining the competencies and qualifications of contracted suppliers.
- Evaluating the effectiveness of training programmes and management oversight and supervision.

RISK MANAGEMENT MATURITY ASSESSMENT

Marsh understands that risk management is not a new concept and that innovative aerospace companies will have some form of risk management process in existence. Marsh also understands that these risk management processes may have been developed internally against an unknown framework, and that best practice and risk management models may have begun to be seen as administrative tasks rather than proactive strategic enablers.

Marsh has developed a bespoke risk maturity model that is designed to assess the current maturity of an organisation's risk management framework and processes. Designed to improve the organisation's risk management approach, the maturity assessment looks to:

- Benchmark the company's current risk management framework and processes against industry best practice and peer group.
- Undertake gap analysis, identifying areas for improvement and establishing a developed roadmap to address these.
- Establish risk management within the strategic decision-making process.
- Develop the tools and techniques to improve maturity.
- Determine stakeholder responsibilities to develop risk management.
- Create an implementation plan to ensure future performance optimisation of risk management activities.

CYBER RISK MANAGEMENT

Cyber risk is a board level issue and Marsh understands the changing risk landscape and challenges aerospace companies face in establishing risk identification and mitigation processes. The responsibility for managing cyber risk is too often pushed to the I.T. department which, while central to evaluating risk, may not be best placed to manage the risk effectively.

Through our best practice methodologies, maturity model framework and expertise gained from years of enterprise risk management, Marsh Risk Consulting is perfectly placed to help you navigate this constantly evolving risk. Our methodology includes:

- Cyber risk maturity assessment.
- Cyber risk training workshops.
- Cyber risk assessment.
- Insurance gap analysis.
- Risk control strategies and roadmaps.
- Creation of management metrics, dashboards, and reports.

INSURANCE MATURITY ASSESSMENT

Insurance remains a key risk transfer tool for organisations, providing cover, protection, and the assurance that risks are being managed in a cost-effective and appropriate way. Organisations can take differing approaches to how insurance is managed, administered, and resourced, and how value is obtained.

Executives and managers need to check whether their current approach to insurable risk management provides an appropriate return on investment and is conducted in line with best practice. Our insurable risk maturity model helps clients assess their organisation against industry peer groups.

Key features include:

- Bespoke insurance organisation maturity model, providing a baseline of current insurance programme performance.
- Assessment of current insurance activities against industry peer groups.
- Understand efficacy of insurance department at servicing business needs.
- The development of a preferred future state of insurance arrangements and processes.
- Link insurance organisation process with risk management and corporate governance processes.
- Formalisation of insurance processes, demonstrating effectiveness to insurer.

INSURANCE PROGRAMME OPTIMISATION

We have a structured approach to helping our clients determine their optimal level of self-insurance. Our approach uses simulation analysis to determine the cost of risk associated with differing levels of retention. This is based on the analysis of historical losses and appropriate exposure measures. Combined with premium benchmarks provided by our placement colleagues, our approach provides valuable data and a framework to help clients make effective decisions around their insurance programmes. An optimal level of self-insurance provides greater stakeholder confidence, demonstrating that balanced and objective decisions have been made around the allocation of capital to risk.

Our insurance programme optimisation focuses on:

- Historical claims analysis; an analysis of the historical losses.
- Optimal retention; the best each and every loss deductible.
- “Aggregate stop” protection; commentary as to where the aggregate loss level should be set. This can be used to negotiate with the insurance market where we believe the aggregate retention can be reduced without paying an increased premium.
- Technical and broker benchmark premium at each level of retention; calculations of what the premiums should be, given the analysis, and benchmarks from Marsh brokers using market knowledge of the expected actual premiums for each deductible.
- Cost of funding the retained loss of costs; how much should be set aside for the losses falling under the chosen deductible.

RISK TOLERANCE AND APPETITE EVALUATION

Deciding on the appropriate amount of risk to accept is a complex judgement that needs to be based on sound analysis of financial and management information. Risk “tolerance” is often defined as how much an organisation can financially retain (ability to retain), as opposed to risk “appetite” which is defined as how much risk an organisation is willing to retain. Risk tolerance has numerous applications to aerospace businesses, two of the main uses being:

- As a measure to assess the exposure of an insurance programme.
- As a measure to assess the materiality of a risk to the business.

We help aerospace clients optimise their management approaches to ensure an appropriate balance between appetite, tolerance, and insurance coverage. Through the application of our methodologies, client teams are empowered to decide on their risk tolerance capability, analyse the variance in tolerance throughout aerospace business sites, divisions, or operating companies, and simulate the volatility around future losses based on an assessment of historic losses.

PROGRAMME RISK SUPPORT

Aerospace businesses typically undertake a large number of business change programmes at any one time, ranging from research and development (R&D) to launching new products. Having a tailored and fit-for-purpose programme risk management process in place is critical to programme and operational success. We have a range of services which can help aerospace businesses better manage programme related risks and related risks and opportunities, including the following:

- Creation of risk and opportunity management plans and protocols.
- Design and delivery of programme risk and opportunity frameworks to identify, assess, and manage uncertain events.
- Quantitative assessment of schedule and cost impacts.
- Risk management information system advice.
- Supplier procurement advice, such as risk transfer and performance management.
- Disputes and claims support.
- Change management advice.
- Operational readiness reviews and advice.

AEROSPACE INDUSTRY RISK RADAR

In our experience, a common pitfall for many aerospace companies is that the scope of their existing risk management does not fully capture the entire market. Developing and implementing appropriate management strategies, and reviewing effectiveness are essential elements in a comprehensive strategy.

CASE STUDY – RISK MATURITY EVALUATION

THE CLIENT

The client provides technical, engineering, and software-enabled services to the defence, aerospace, and security markets. The client provides a range of services, including aerospace operations, engineering management, information services, mission solutions, software, and systems engineering.

THE PROJECT

The client engaged Marsh to undertake a review of its current approach to enterprise risk management (ERM) and business continuity management (BCM) across one of its key divisions. The primary objectives of the review were to evaluate the maturity of the division's current approach, define and develop a desired target/future state approach, identify gaps between current and future state, and provide a roadmap of recommendations. Key information was attained through interaction with a cross section of senior management resources, and findings were substantiated through review of internal risk-related documentation, peer benchmarking, and calibration against best practice standards.

THE RESULTS

Recommendations for improvement were consolidated in a roadmap that categorises implementation timescales into short, medium, and long term.

The key recommendation themes focused on achieving the following:

- Achieving consistency in application of process.
- Developing visible endorsement and sponsorship of risk from the senior management team.
- Conveying a strategy and plan for risk management.
- Aligning risk management to explicitly support objectives.
- Providing a prescriptive set of tools and guidance for resource.
- Enhancing the format in which risk data is monitored and reported.
- Developing a top-down process of risk assessment to complement the bottom-up existing practice of identifying and escalating risk information.

CASE STUDY - ERM/BCM FRAMEWORK DEVELOPMENT

THE CLIENT

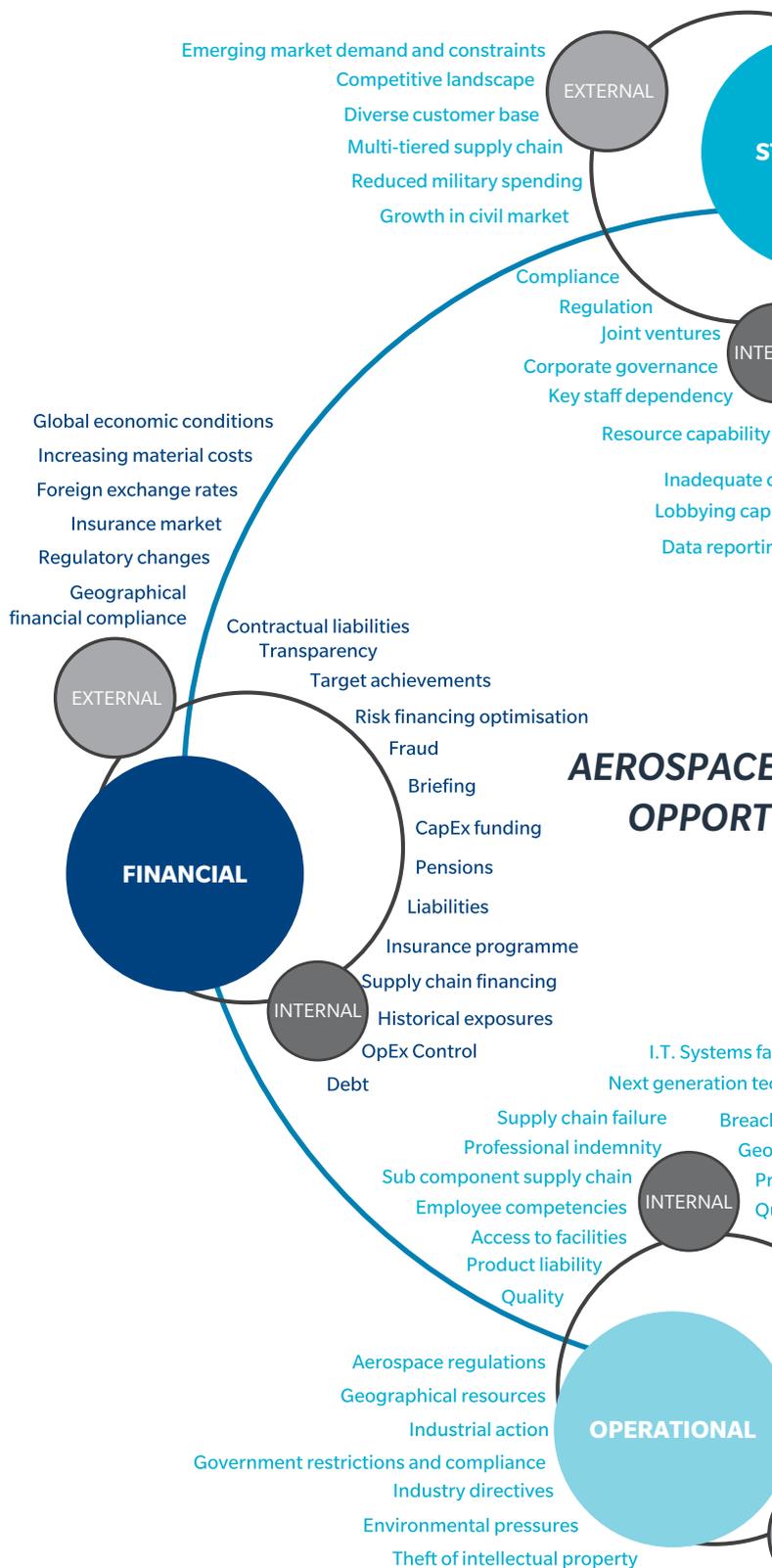
The client is a global leader in power systems and related services. It has a customer base comprising aerospace and defence customers. It also has global energy and manufacturing clients.

THE PROJECT

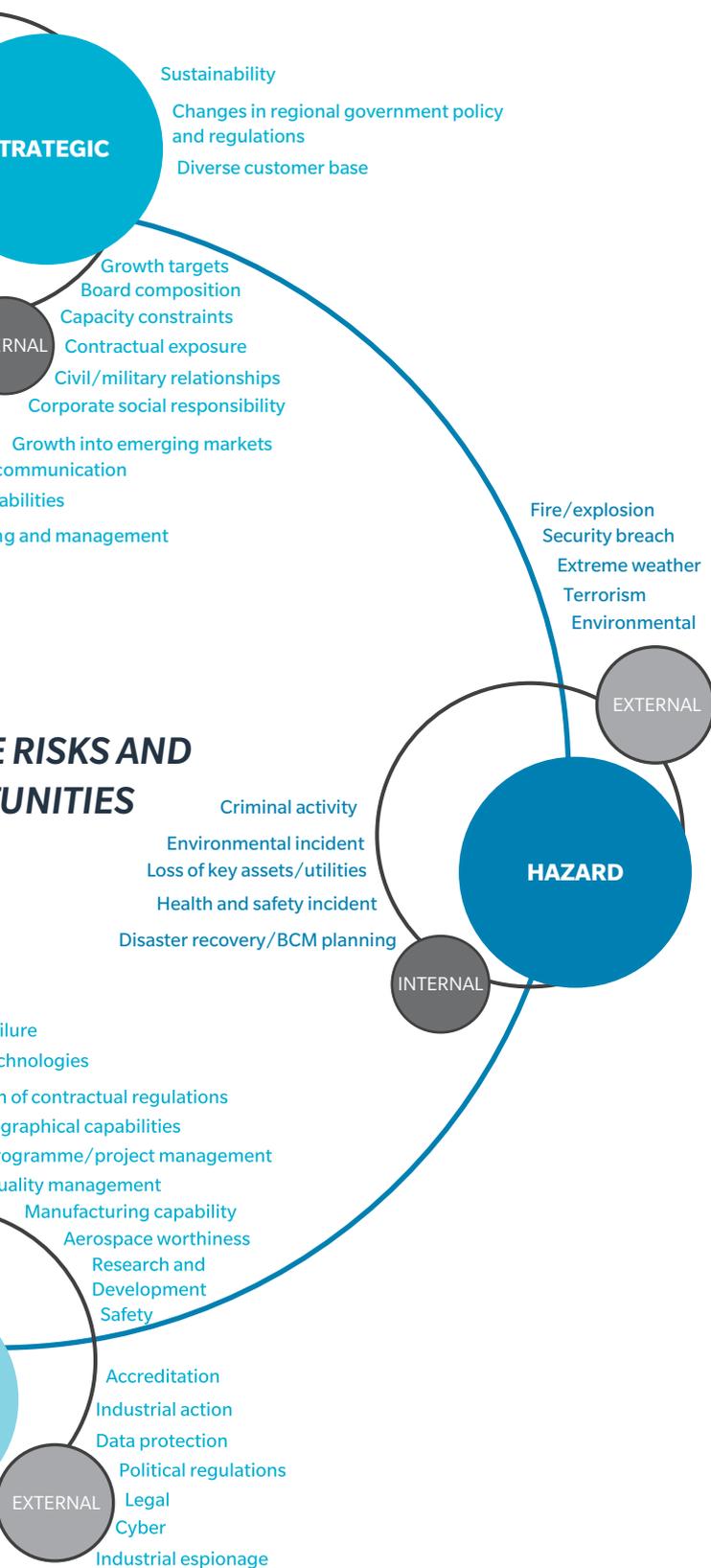
Marsh was engaged to review a number of issues, including aligning risk management standards to project risk management, implementing "risk adjusted decision making", developing a business continuity management (BCM) maturity model and linking risk registers with risk transfer decisions. This was undertaken through interviews, workshops, review of documentation/KPIs, and quantitative/actuarial analysis.

THE RESULT

The deliverable was a 3 year strategy to align risk issues (including projects) and transfer decisions. The client had a "maturity model", for both risk management and "business continuity". It was now in a stronger position to make "risk adjusted" business decisions, and used this process to support the project management of a country entry strategy linking with its project performance review processes.



risk footprint across their value chain. Identifying the unique risks and opportunities an aerospace company faces, accurately assessing them,



CASE STUDY - SUPPLY CHAIN ANALYSIS

THE CLIENT

The client is a major global engineering organisation specialising in extreme environment components for aerospace, defence, and energy markets.

THE PROJECT

The client engaged Marsh to facilitate a supply chain mapping exercise in order to identify and document the processes/activities that are involved as material from an example supplier moving through the supply chain. This example was then used as the basis for identifying risks derived from the supply to the client's business. Using the example supplier, Marsh explored the supply chain risk management (SCRM) practices adopted at both the client and the suppliers side to control supply risk. This helped identify mitigating actions that the client has since adopted to reduce supply chain risk and highlighted other strategies that could be adopted following a supply interruption.

THE RESULT

Marsh provided the client with commentary on best practice SCRM and outlined recommendations on how to close any potential gaps to decrease the overall supply chain risk profile. We were also able to quantify the loss of the example supplier to the client's business in financial terms through loss of gross profit. Marsh developed and trained the client on a repeatable method for assessing supply risk which could be used by the business going forward when determining criticality of supply, or as a tool to support decision-making around supply chain investments and mitigations, such as "dual sourcing".

CASE STUDY - INSURANCE MATURITY REVIEW

THE CLIENT

The client is one of the world's leading defence and aerospace companies. The client engaged Marsh to undertake a review of the insurable risk function and maturity within their business.

THE PROJECT

The scope of the review involved all activities undertaken by the insurable risk function, to establish areas for potential improvement, both in terms of efficiency and the levels of service provided to the international and diverse business areas. The main objectives of the review were to undertake an analysis that would assess the nature and extent of the current state of the insurable risk function and their business approach, define and develop a future state appropriate to the businesses bespoke demands and needs, identify gaps that exist between the current state and the defined future state, and make pragmatic recommendations to ensure that such gaps are addressed.

THE RESULT

Marsh consolidated all findings and recommendations and delivered this in a comprehensive and bespoke output report. Feedback from the client included:

- Improved understanding of the efficacy with which the businesses identified, managed, and monitored the risks facing the organisation.
- Identified strengths and weaknesses of its current approach to the insurable risk framework.
- Enabled processes and procedures to be benchmarked against best practice.
- Highlighted the linkage between insurable risk and the business's overall process for risk management.
- Provided a tailored and pragmatic road map to help develop the business and its insurable risk maturity.

HUMAN FACTOR AND ERROR MANAGEMENT SOLUTIONS

The nature of operations, regulatory scrutiny, and historical focus on safety management for aerospace clients over many years has resulted in the industry being at the forefront of developments and innovation.

Despite the significant investment in safety management systems, some aerospace organisations continue to experience a plateau in their safety incident, accident, and injury statistics, and are wondering what comes next. For clients that have explored all safeguards, designed them into their operational equipment and procedures, and have mature systems for managing safety and risk in their businesses, Marsh has developed a range of bespoke aerospace solutions, specifically intended to identify the sources of individual “at risk” behaviours. Our solutions implement psychologically-based risk improvement processes that integrate human factors into safety systems and embed greater risk awareness into the organisational safety culture.

These solutions include:

- A thorough needs analysis assessment of the sources of behavioural risk exposures.
- Claims “hot spot” analysis.
- Application of leading threat and error management principles to safety management systems.
- Behavioural risk improvement and risk management processes.
- Incorporation of human factors into the safety management systems.
- Ground damage prevention programmes.

SAFETY TRAINING NEEDS ANALYSIS

Combining the auditing elements of a safety policy, skills, and training gap analysis with technology-led data gathering elements of a safety culture assessment, this unique solution will help to identify strengths and weaknesses in the deployment of safety within the business through individuals:

- Roles and responsibilities.
- Training requirements.
- Safety attitudes and behaviours.

SAFETY MANAGEMENT SYSTEMS (SMS)

The International Civil Aerospace Organisation (ICAO) has mandated the implementation of safety management systems (SMS) for all aerospace providers in order to ensure the existence of an effective, systems based methodology for managing safety.

SMS methodology includes, but is not limited to:

- Corporate level documentation identifying safety as a core competency.
- Specific resourcing and organisation arrangements.
- Safety hazard reporting system.
- Comprehensive incident/accident investigation process.
- Safety education and training for employees.
- Communication of safety-related information throughout the company.
- Maturity best practice – going beyond compliance.

Our Marsh aerospace team is formally educated in the SMS methodology, and has practical hands-on experience enabling colleagues to assist clients with the implementation of SMS.

EMPLOYEE AND THIRD PARTY LIABILITY ASSESSMENT

Employee and third party liability claims can expose an aerospace business to significant costs. Whether managed under a retention arrangement or funded through ground up liability insurance programmes, these costs can have a negative impact on any aerospace business's insurance premium spend and retained cost of risk. Repeated claims, exaggerated claims, and claims, brought to test the resiliency of the organisation's claims process, are increasingly seen in the claims environment.

As the claims environment becomes more sophisticated, the effective management of claims is increasingly important for any aerospace business. This requires it to have strategies in place which are designed to "head off" or prevent claims from arising in the first instance. Where claims do occur, it is important to ensure that the business is effectively placed to defend the claim or mitigate its cost through efficient management.

In our experience, the insurance market places considerable emphasis on historical experience when pricing liability risks. However, this may not fully represent an organisation's current ability to defend claims. We have found that an organisation's awareness of risk and claims management is evolving, and the steps taken by an organisation may not be fully realised by insurers when pricing the risk.

Our claims defensibility service can validate and advocate the steps already taken to improve the risk. It also provides qualitative feedback and advice on further steps that may be taken to combat the risks and costs associated with liability claims.

TRADE CREDIT

Our specialist team can help identify and mitigate against a wide range of trade credit risks from supply chain disruption to airline failure. Insurers can support your growth strategy with a comprehensive analysis of your buyer risks, something that is particularly important when growing in new and developing markets. This can help build customer confidence and allow you to trade securely.

The key benefits can include:

- Balance sheet/cash flow protection.
- Reduction in the need for bad debt reserves and provisioning.
- Improved terms for bank financing.
- Increase in potential for confident sales growth to new and existing customers.
- Insight and regular communication/information on existing and new customers.
- Risk transfer solutions to satisfy capital adequacy requirements.

In general, policies cover goods or services sold and delivered – but can be tailored to cover other risks that may be associated with the aerospace sector.

AEROSPACE PROPERTY ASSESSMENTS

Fires, explosions, and natural catastrophes can have devastating impacts to the wide range of properties and infrastructure operated by aerospace businesses. Assets, cash-flow, brand, and reputation can all be damaged by incidents that were capable of easy control with some advanced preparation. Insurers require evidence of effective risk management before providing insurance cover and aerospace customers expect continuity of service.

Faced with a range of unexpected and unpredictable risks, aerospace businesses need to prepare. That means building resiliency into your business by deploying risk evaluation that enables risk to be targeted by appropriate management systems, and fixed protection where it is of value.

We offer the following services to our clients:

- Risk evaluation surveys: Manufacturing site surveys enable us to understand the business we are reviewing, and assess the effectiveness of the existing risk management procedures.
- Evaluation of component accumulation exposure: As the value of components increases along with a number of large losses due to environmental incidents, it is now essential for organisations to understand what exposures they face. We help clients assess what exposures they have and the value of those exposures, before supporting them to ensure adequate levels of risk management.
- Insurer loss control: We work with insurers to assess and analyse the output of insurer loss control services, ensuring they are aligned with client objectives and consistent with best practice.
- Strategic diagnostics: We work closely with our clients to develop their existing risk management programmes into systems of continuous improvement, based on a framework linked to improving levels of resilience. We can help to facilitate this process by identifying weaknesses and strengths in existing programmes, and tailoring our advice accordingly.
- Security risk: Security threats vary from the nuisance and disruption of burglaries and metal thefts, to terrorism threats of major high profile production plants. We can benchmark existing protection systems and advise on the use of modern technology to improve the risk profile.
- Fire engineering/project management: Many of our consultants are qualified fire engineers. We can review and project manage fire protection installations, ensuring that insurer approval is received and project costs are minimised.
- Standards, procedures, and training: We help clients by drafting tailored risk management and risk engineering standards for their organisations, and linking them to detailed management procedures. We can also train all levels of client personnel in a range of fire safety and risk management topics, using everything from traditional classroom training to one-to-one coaching at clients' facilities.

CATASTROPHE MODELLING

Natural catastrophe events are large scale environmental hazards with the ability to cause widespread damage and economic loss. The frequency and intensity of such events has increased in past decades and, consequently, catastrophe modelling has become an important tool for insurance market premium rating and to help clients to better understand their internal risk profiles.

Marsh has a detailed catastrophe model which we use to quantify the potential losses and likelihood of loss to our clients' portfolios from natural hazards such as earthquake, hurricanes, and floods. These losses can be illustrated over a range of event severities, in addition to determining the likelihood of their occurrence. This helps our clients identify their high risk sites, enabling better internal decision-making, in particular for capital allocation on risk mitigation strategies and insurance purchasing.

ENVIRONMENT AND SUSTAINABILITY RISK SOLUTIONS

The way in which each aerospace business relates to its environment may be viewed as either a liability or an opportunity for market differentiation, process optimisation, and/or improvement of relationships with stakeholders. Our specialist advisors can show you how to minimise the liabilities while benefiting from progressive environmental strategies.

Our expertise and services include the following:

- Environmental management and planning services.
- Environmental due diligence for private equity, and mergers and acquisitions.
- Water and waste management (including hazardous waste).
- Legal compliance (environmental, health and safety).
- Strategic management consulting and sustainability reporting.
- International Organisation for Standardisation (ISO) 14001, Occupational Health and Safety Advisory Services (OHSAS) 18001 and Integrated Safety, Health, Environment, Quality (SHEQ) Management Systems.
- Environmental and health and safety risk assessments and audits.
- Environmental insurance products and services.
- Environmental capacity development and training.

MANAGEMENT TRAINING

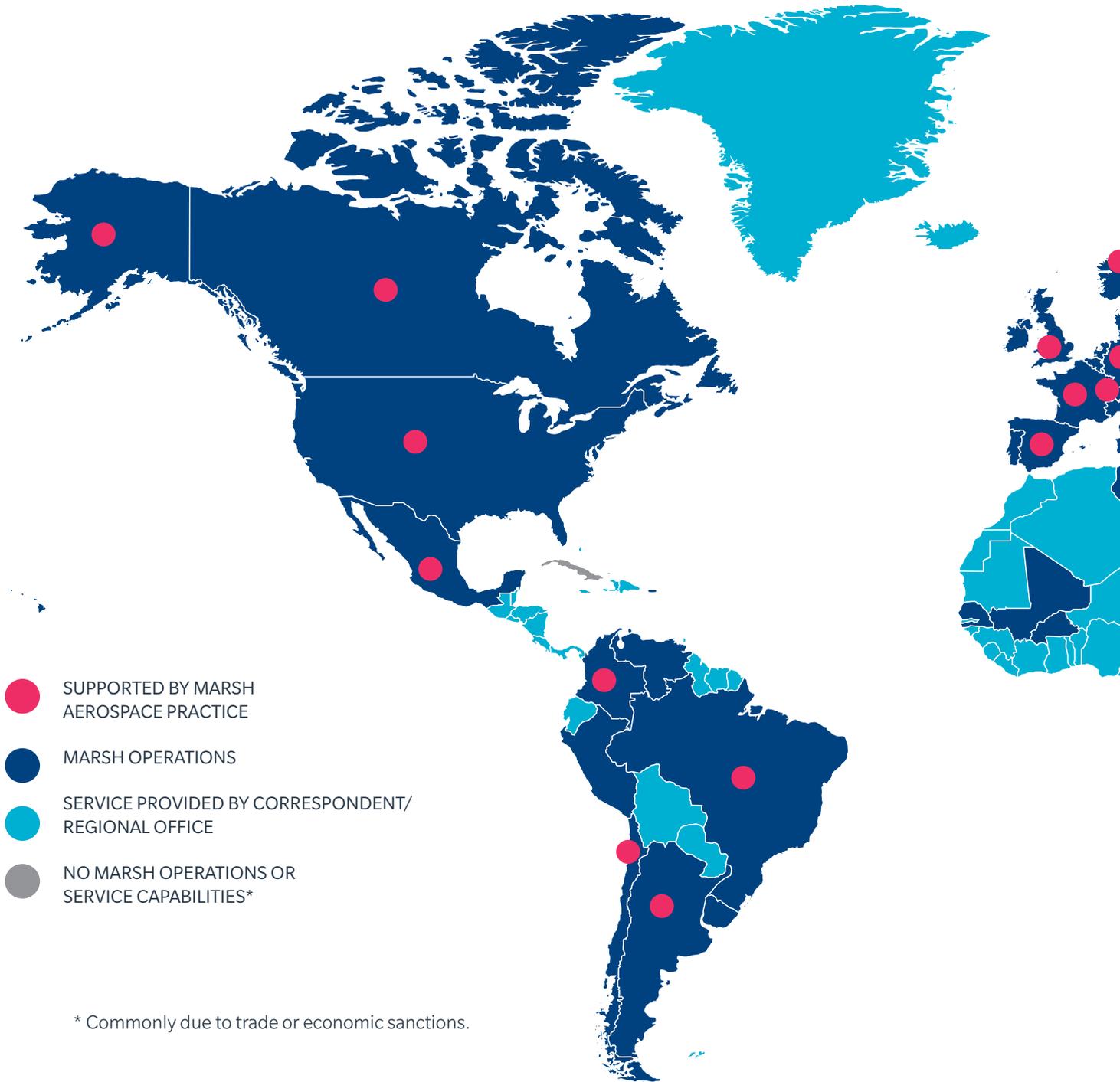
We frequently provide bespoke management training programmes to our aerospace clients at a variety of different levels from awareness to practitioner. We can provide training in the following areas:

- Enterprise risk management.
- Business continuity management and crisis response.
- Hazard identification and risk management.
- Incident response and tracking.
- Principles of risk management for risk champions and senior managers.
- Safety management systems.
- Claims defensibility.
- Programme and project risk management.

Many of our courses are accredited by international bodies such as the Institute of Risk Management (IRM).

GEOGRAPHICAL PRESENCE

As shown below, we operate from an extensive geographical base, with London as our main centre.

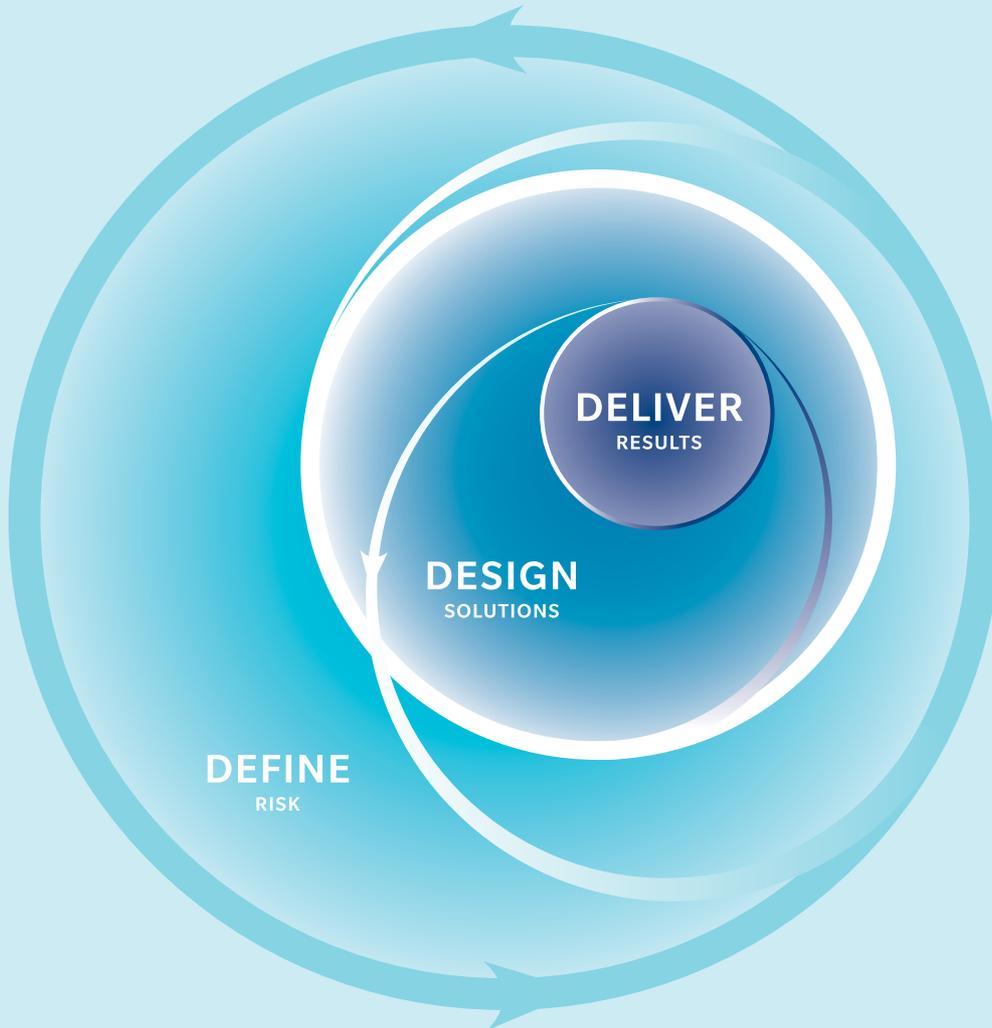


Please contact our aerospace risk specialists or your local Marsh representative to discuss how we can help your aerospace business to further its risk and opportunity management initiatives.

HOW WE DO IT

OUR CONSULTING APPROACH

We solve our clients' unique issues by defining, designing, and delivering our consulting assignments based on our Marsh 3D model, as illustrated below.



DEFINE

We will ensure that sufficient time has been taken to understand your unique requirements, their context within your wider business, and discuss our experience of dealing with similar issues elsewhere. This will enable a precise scope of work to be created and quickly signed off by all, while also identifying any constraints to be considered when designing our approach.

DESIGN

We will develop and present bespoke solutions to best meet your requirements within agreed timescales and budgets. Solutions will be built upon best practice methodologies, the latest innovations, and lessons learned from both your and our perspectives. Sufficient time will be provided for feedback and refinement of the solution in order for it to meet all key stakeholder requirements.

DELIVER

Once appointed, we will mobilise our hand picked project team who will then deliver results to the programme milestones. Through our collaborative approach, we will closely engage with your key staff members and inform you of progress and issues throughout the project. Our deliverables and the implementation of recommendations will support the achievement of your envisaged benefits.



MARSH RISK CONSULTING

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