

WORKING WITH EQUITY INVESTORS

TRANSFORMING RISK INTO A COMPETITIVE ADVANTAGE



For as much promise as infrastructure holds as an asset class, there is also an equal or greater amount of risk involved.

In a highly competitive market, apparent obstacles can be turned into competitive advantage through our unique approach to infrastructure risk. The advantage? A competitive edge, a stronger bid, swift decisions, better valuation, greater certainty over long-term risk issues, and increased confidence that no surprises will derail your investment.

DE-RISKING YOUR INVESTMENT

Your ability to identify, quantify, and manage risks—both insurable and uninsurable—will largely influence your potential to formulate a winning bid, and to provide the protections and return on investment demanded by your management team, investors, lenders, governing bodies, insurers, and the owner.

Risks inherent to infrastructure development are complex and have far-reaching consequences for investors that can adversely impact specific assets, valuations, capital structure, and volatility of cash flows needed to service fixed obligations, most notably interest payments and repayment of principal.

Investors and capital markets are heavily impacted by varied and divergent views of risk that influence perceptions of a potential investment.

TYPICAL INVESTMENTS

| GREENFIELD/BROWNFIELD PROJECTS | SECONDARY ASSETS |
|---|-------------------------|
| Delivered on time | Legacy liabilities |
| Within budget | Valuation |
| To specification | Risk profile |
| Meet expected returns and intended benefits | Operational performance |

WE ARE A GLOBAL LEADER IN RISK MANAGEMENT

From advising public entities to relationships with infrastructure funds, private equity investors, lenders and a commanding market share of design, engineering, and construction-related clients we have served as risk advisor and insurance broker on a broad range of large, complex, award-winning infrastructure and Public Private Partnerships (PPP/PFI) transactions around the world.

Marsh has been recognized by others in the industry as the leader in risk advisory services for infrastructure. For the fourth year in a row, *Infrastructure Investor* named Marsh **Global Infrastructure Insurance House of the Year**, as voted by industry professionals within the global infrastructure finance and investment community, consisting of investors, developers, lenders, and government sponsors from over 40 countries.



Global infrastructure insurance house of the year
Marsh



We serve as a strong and respected advisor for our clients' interests in managing risk throughout the life of a project, including contract negotiation and execution, design and build, operations, systems maintenance and refurbishment, public and/or private financing, and purchase or sale transactions. We are also an advocate and intermediary for our clients in transferring risks in the insurance market.

We regularly advise our investor clients on a broad range of aspects of risk management. We:

- Identify and price the risks inherent in an infrastructure project or asset.
- Identify parameters for risk tolerance (at the project participant level and at the project level).
- Provide expertise in the contractual risk allocation process.
- Outline a project's risk profile to enable and facilitate access to capital.
- Satisfy the unique requirements which will be imposed on project participants by governments, governmental agencies, and providers of capital.
- Design and place insurance programs to address construction and operational requirements of infrastructure assets.
- Provide ongoing risk consulting for infrastructure assets both in construction and operation to enhance operational efficiency of the asset.

Marsh and its sister companies Mercer, Oliver Wyman, and NERA Economic Consulting, are leaders in servicing the needs of the infrastructure community, providing risk-based, analytical and transactional support in the development and implementation of projects for infrastructure clients worldwide in the areas of:

- Risk advisory and insurance transactional services.
- Economics and regulation.
- Human capital.
- Investment analysis.

Marsh & McLennan Companies' Global Infrastructure Practice offers an experienced team that is dedicated to advising the infrastructure community throughout the lifecycle of a project or asset. Our expertise includes identifying opportunities and associated risks, mitigating risks, facilitating the successful completion of projects, managing through the operational phase and exit strategies spanning a wide range of industry groups, including:

- **Transportation:** Airports, ports/terminals, roads, bridges, tunnels, freight, and passenger rail.
- **Energy:** Oil and gas – upstream, downstream, transportation and storage, and metals/mining.
- **Utilities:** Natural gas, electricity, water, and wastewater.
- **Telecommunications:** Broadcasting and/or wireless towers, and satellites.
- **Power generation:** Carbon-based, nuclear, and renewable energy.
- **Social infrastructure:** Hospitals, schools, and military housing.

MARSH INFRASTRUCTURE PRACTICE CONTACTS

Europe, Middle East, Africa

EDWIN CHARNAUD
+44 207 357 3157
edwin.charnaud@marsh.com

Asia, Pacific

JOSH ROACH
Hong Kong
+852 2301 7319
josh.roach@marsh.com

MARTIN BENNETT
+44 207 357 2195
martin.bennett@marsh.com

ROHAN BHAPPU
India
+91 226 651 2972
rohan.r.bhappu@marsh.com

North America

GEOFFREY CLARK
+1 213 346 5025
geoffrey.s.clark@marsh.com

Latin America, Caribbean
JOSE VERGARA
+1 305 341 5040
jose.vergara@marsh.com

STUYVE PIERREPONT
+1 212 345 8756
stuyve.pierrepont@marsh.com

ROBERT ROBIDEAUX
+1 213 346 5083
robert.w.robideaux@marsh.com

Marsh is one of the Marsh & McLennan Companies, together with Guy Carpenter, Mercer, and Oliver Wyman.

This document and any recommendations, analysis, or advice provided by Marsh (collectively, the "Marsh Analysis") are not intended to be taken as advice regarding any individual situation and should not be relied upon as such. This document contains proprietary, confidential information of Marsh and may not be shared with any third party, including other insurance producers, without Marsh's prior written consent. Any statements concerning actuarial, tax, accounting, or legal matters are based solely on our experience as insurance brokers and risk consultants and are not to be relied upon as actuarial, accounting, tax, or legal advice, for which you should consult your own professional advisors. Any modeling, analytics, or projections are subject to inherent uncertainty, and the Marsh Analysis could be materially affected if any underlying assumptions, conditions, information, or factors are inaccurate or incomplete or should change. The information contained herein is based on sources we believe reliable, but we make no representation or warranty as to its accuracy. Except as may be set forth in an agreement between you and Marsh, Marsh shall have no obligation to update the Marsh Analysis and shall have no liability to you or any other party with regard to the Marsh Analysis or to any services provided by a third party to you or Marsh. Marsh makes no representation or warranty concerning the application of policy wordings or the financial condition or solvency of insurers or re-insurers. Marsh makes no assurances regarding the availability, cost, or terms of insurance coverage.