

# Transportation, Distribution, Warehousing and Automotive

## Biggest concerns



## Steps to alleviate these concerns

Business leaders **have reviewed** the following in the last 12 months:



Business leaders **plan to review** the following in the next 12 months:



## Sector confidence



## To address the issue of supply chain reliance and concern, risk register analysis is key, alongside supply chain planning and visibility.

Increased use of technology in warehousing (automation) and end-to-end supply chain (for the tracking of goods), plus its use in passenger experience at airports and ports increases cyber risk. A cyber self-assessment with follow-up planning is a good start.

Results suggest less concern with workforce culture/ employee engagement, but driver and general labour shortages remain a big issue for transportation. Analysis around employee wellbeing, working patterns/pressure, health benefits and the whole employee 'package' could start addressing the issue of attracting more staff.

Mergers and acquisitions and cost inflation lead to financial uncertainty. Credit specialty can assist with customer and supplier evaluation, as well as the clients' own credit rating, and understanding optimal financing strategy.

Understanding business resilience alongside insurance protection is key – advice around the cover they really “need”, particularly in relation to business interruption and business continuity, means informed decisions can be made to contain cost and maximise protection.

Contract reviews are also important – many businesses are not aware of contract commitments versus their insurance coverages. Suppliers are putting more responsibility onto customers under contract, so full understanding is needed.

Increasingly, ESG credentials are being required as part of contractual negotiations – increasingly impacting smaller companies – so ESG self-assessment is key. Rebuild costs are important – insurers often question renewal data without an uplift in sums insured. Infrastructure will need to be reviewed as they move towards net zero (e.g. electric charging etc.), so early engagement is essential to look at best practice and market capacity.”

**Zoë Parkes, Transportation Industry Leader**



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