

Turning Uncertainty into Opportunity

Operational Resilience in the Food,
Agribusiness and Beverage Supply Chain



Contents

1. Introduction: Understanding and Building Operational Resilience

2. Managing Risks to the Supply Chain

- Transport and Logistics
- Supplier Insolvency
- Managing Working Capital
- A Surety Solution for Keeping the Lights On
- Changing Terror Threats

3. Addressing the Impact of Climate Change

- Impact on Operational Resilience
- Global Food Companies Must Address Multiple Inter-Related Pressures

4. Digital Transformation and Resilience

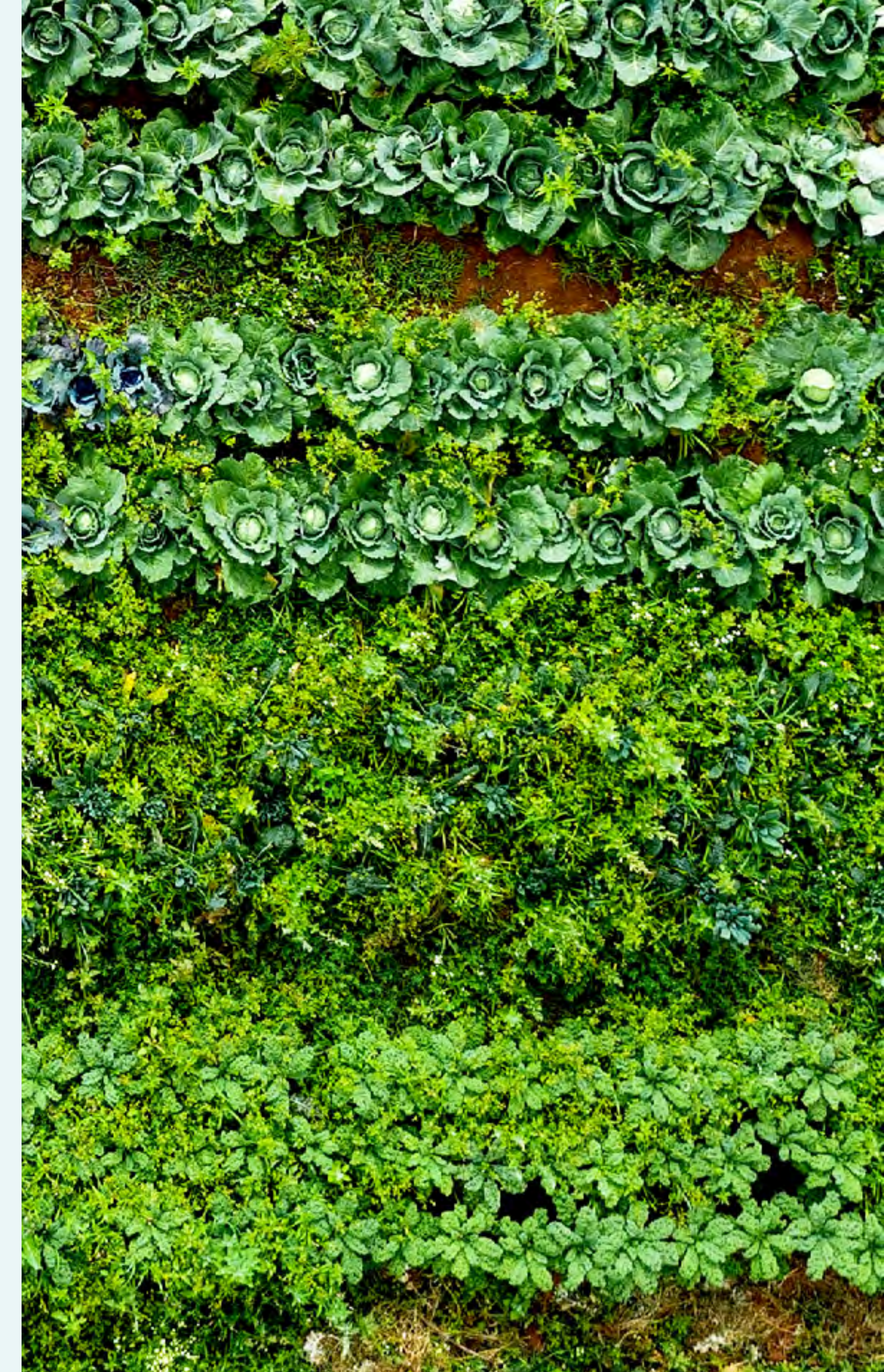
- Cyber Risk
- Building a Cyber Resilient Organization

5. Food Safety and the Workforce Challenge

6. How Aon Can Help

- Supply Chain
- Cyber Risk
- Climate Change Risk
- Workforce Resilience
- Product Recall and Contamination

Appendix I: Impact of Cyber Disruptions on Food, Agribusiness and Beverage Companies



1

Introduction: Understanding and Building Operational Resilience



[Previous](#)

Contents

[Next](#)

Introduction: Understanding and Building Operational Resilience

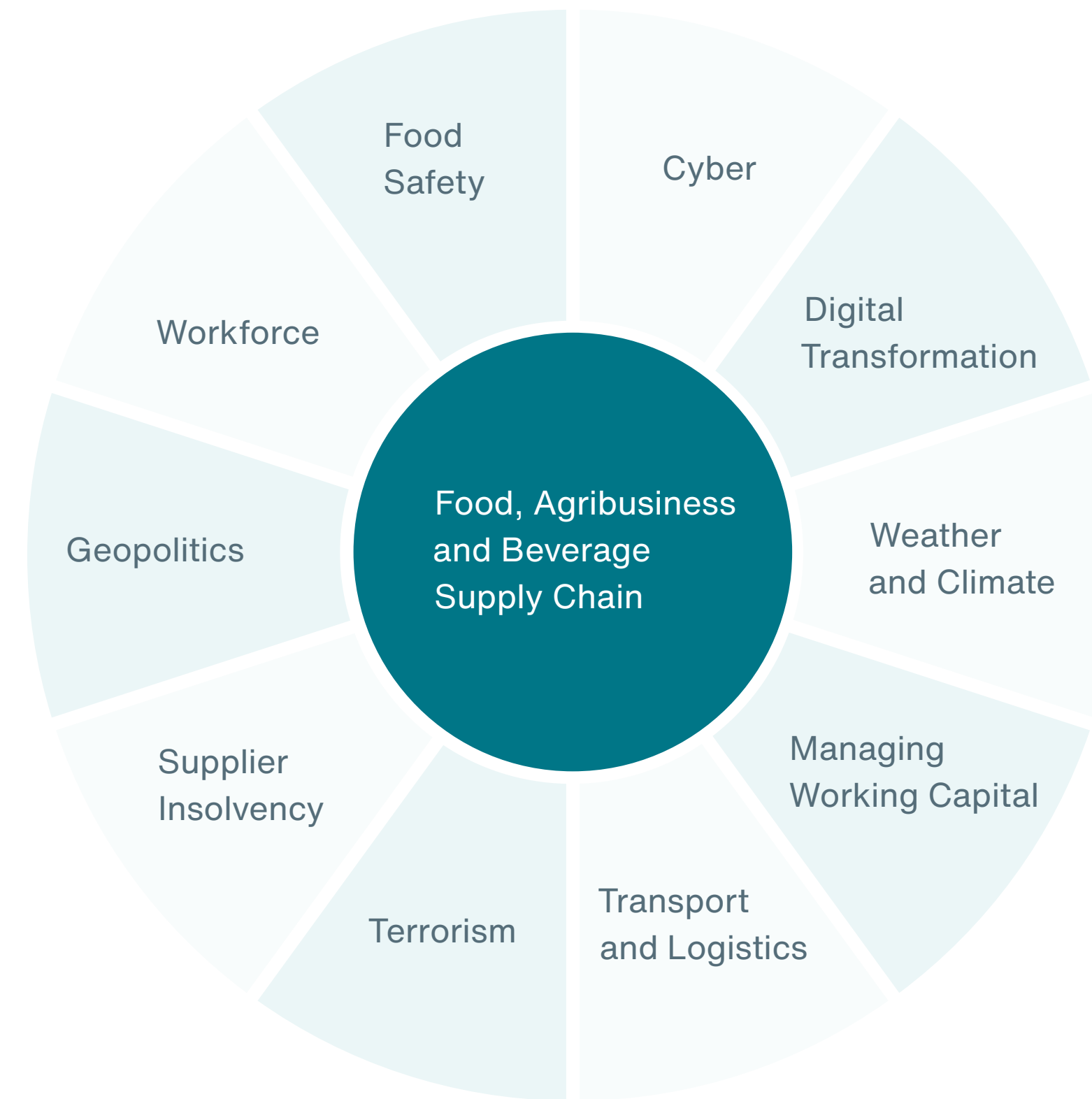
Introduction: Understanding and Building Operational Resilience

How Organizations approach and elevate risk management today will help them build resilience and uncover opportunities for the future. The Food, Agribusiness and Beverage (FAB) sector is at risk of much disruption from digital danger to weather, terrorism and geopolitics. Operational resilience is critical, and agility vital, for Organizations to choose to ride an unpredictable and disruptive storm – and gain substantial returns in increased output and productivity as well as reputation and revenue.

Supply chain disruption results in lost sales, reduced revenue and in some cases the loss of the entire business. A lesson from the pandemic is the need to prepare for other 'grey swan'¹ events causing significant disruption – including recruitment issues, a shortage of storage facilities and continued political unrest with countries banning the export of their staple commodities.

At Aon, we take an enterprise approach to risk, delivering data-driven insights with analytics and advice that enables risk resilience through preparedness – if and when a crisis occurs, we want our clients to win. Guided by over forty years of market leading research and a growing database of insights, we bring together risk, data and analytics, finance and sector expertise to model bespoke scenarios that create a better understanding of the risk.

This paper takes a closer look at operational resilience and how risks could trigger major disruptions and compromise the commercial future of an organization. It also highlights how emerging and unforeseen disruptions can be channeled into competitive and innovative opportunities.



“

Looking at the world through a sustainability lens not only helps us "future proof" our supply chain, it also fuels innovation and drives brand growth.

Paul Polman
Former CEO, Unilever

¹A grey swan is an event that is known and possible to happen, but which is assumed to be unlikely to occur.

2

Managing Risks to the Supply Chain



[Previous](#)

[Introduction: Understanding and Building Operational Resilience](#)

[Next](#)

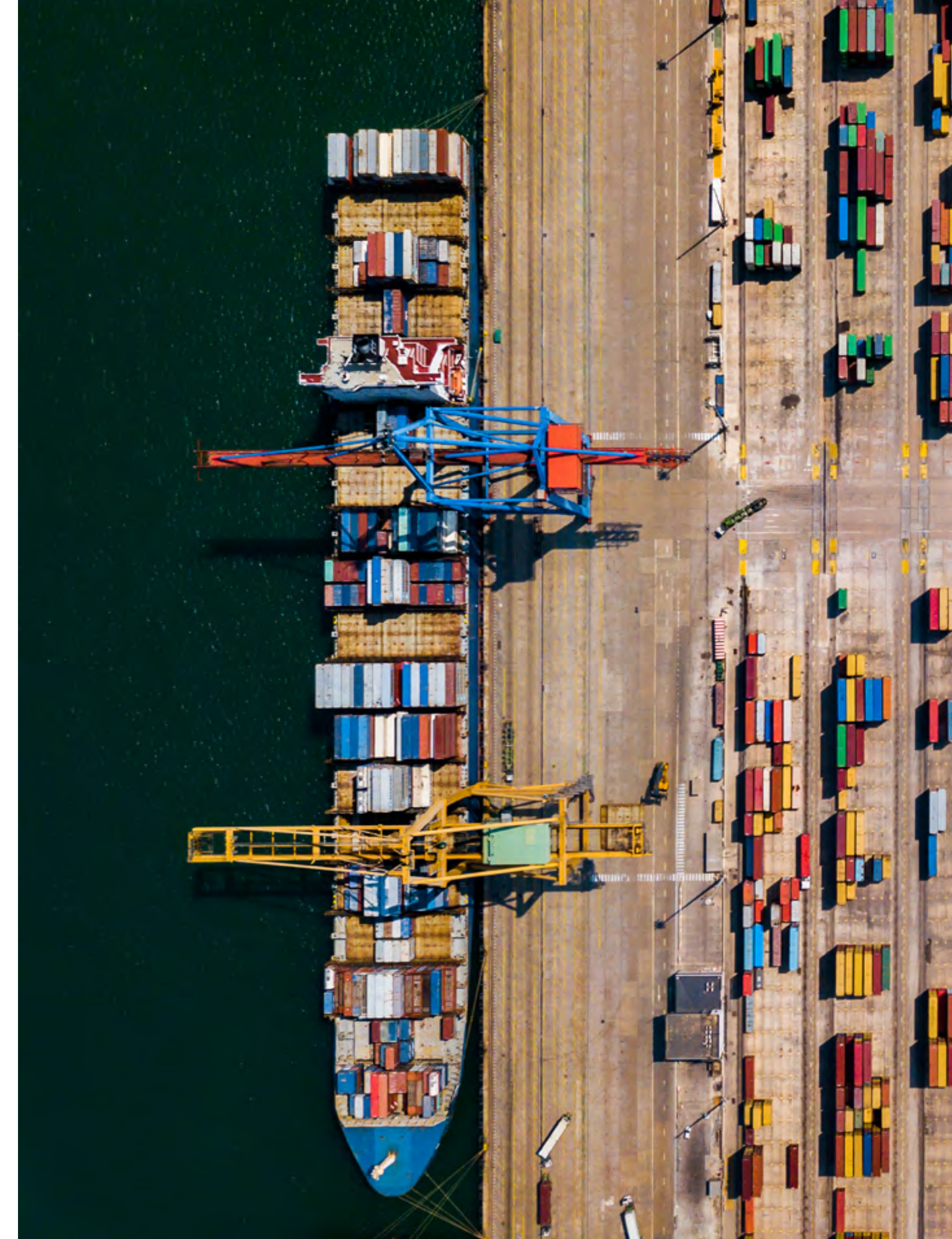
[Managing Risks to the Supply Chain](#)

Managing Risks to the Supply Chain

There are three key elements affecting the Food, Agribusiness and Beverage supply chain:

- meeting the demands and expectations of the consumer;
- ensuring a company's supply model is as efficient as possible; and
- respecting corporate social responsibilities in an age when brand and reputation can be easily damaged or lost.

Within these three elements, there are a range of different risks that can damage each component and cause damage to share price, profits, revenue and reputation. Whether it's a collapsed shipping company stranding cargo in a far-off port, a cyber-attack disrupting supply chains, staff shortages, keeping stores and fulfillment centers well stocked in a timely and efficient way is becoming a challenge of growing complexity and uncertainty.



Transport and Logistics — Shipping Delays

FAB supply chains are complex, global, fast moving, operating on a Just-in-Time (JIT) basis and enabled by sophisticated technologies.

With many products moved by sea, events such as the Ever Given blockage in the Suez Canal in 2021 have brought the dependency on global shipping infrastructure into sharp focus. With roughly 90 percent of the world's goods shipped by sea, the Suez Canal is one of the most crucial pinch-points along global supply chains. Such high-profile events, amplified by the pandemic, highlight the importance for companies to understand their supply chains, identify weak links and take steps to reduce the risks.

There is a myriad of risks associated with shipping such as port blockages, strikes, vessel engine breakdowns, collisions, stranding and on-board fires that all illustrate the difficulties that commercial entities have with JIT delivery slots.

Businesses should examine their supply chains, then determine who the critical suppliers are and the points at which a breakdown could negatively affect their ability to deliver those key products or services. They can then determine how to address the risk, with options including holding more inventory, identifying suppliers closer to home or by exploring new logistics options.

With roughly 90 percent of the world's goods shipped by sea, the Suez Canal is one of the most crucial pinch-points along global supply chains.



Supplier Insolvency

While perhaps a less obvious risk to supply chain resilience, an insolvent supplier can send shockwaves through supply chains. Businesses are advised to have a process in place to identify red flags; such as a supplier missing shipping dates or where quality control issues arise.

Where a supplier looks to be in difficulty, the solutions are varied, and include offering better payment terms, buying the business, investing in it or dual sourcing the product.

Another option includes developing a supply chain or inventory finance solution which allows suppliers to be paid earlier, or removing inventory from the balance sheet — alleviating any cashflow difficulties they might have — while the FAB business can optimise its working capital without any negative impact on its suppliers.

We are witnessing several trends within the supply chain process where corporates are investing in new solutions to mitigate the impact of supply chain disruption, while improving working capital and balance sheet management.



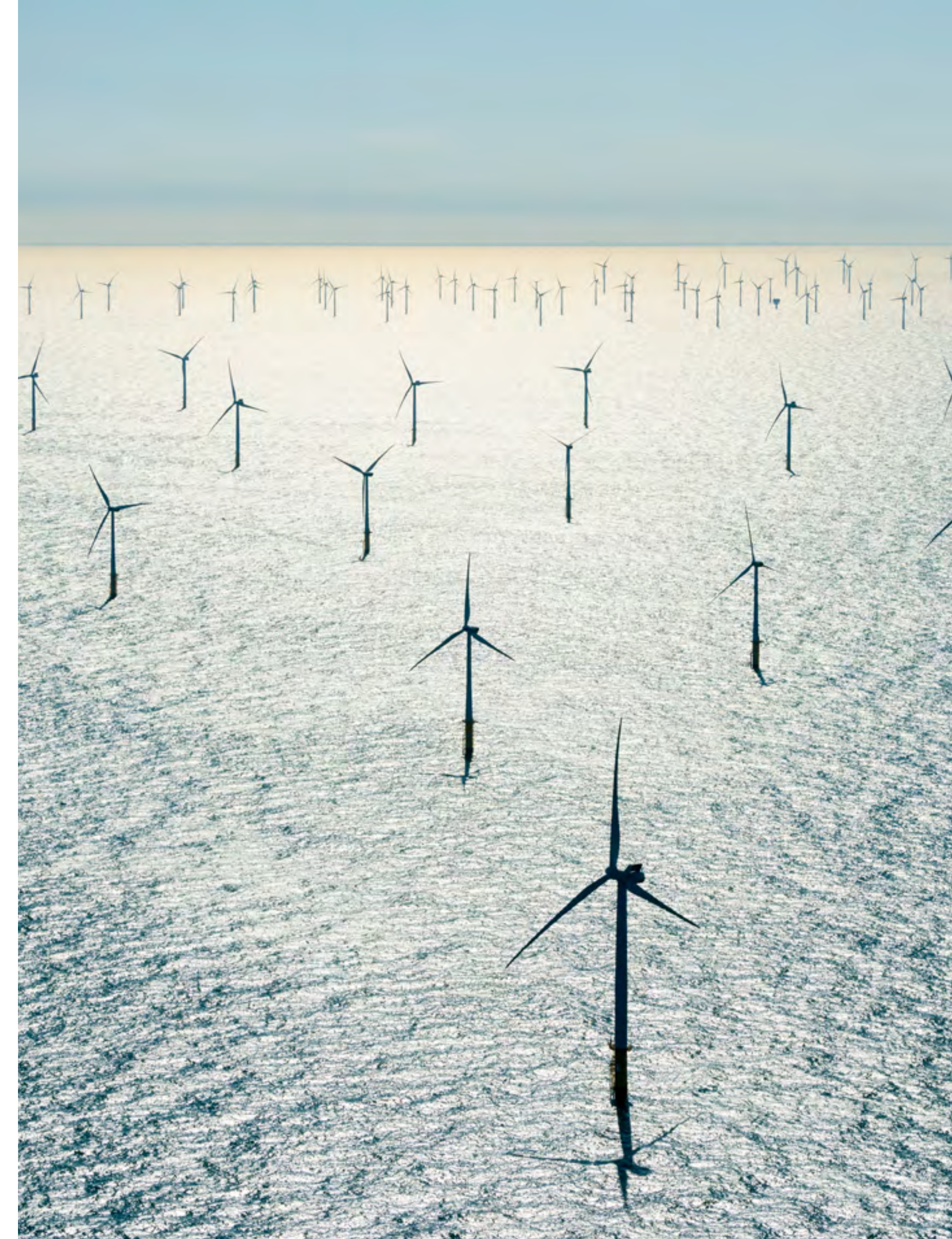
Managing Working Capital

At a time when interest rates are rising and the cost of borrowing increases, many businesses are seeing pressure on their balance sheets and constraints on working capital. For those with significant energy usage — such as those in the FAB supply chain — an added problem is the high cost of energy triggered by the Ukraine conflict. Increasingly, energy suppliers — perhaps unable to secure trade credit cover due to constraints in the market — are asking for financial security from customers before they will commit to supply.

For energy buyers that may mean providing bank guarantees or letters of credit, which can be expensive, while tying up working capital. An alternative, and often faster and less expensive option is a surety bond; an increasingly popular way for solvent, well capitalized organizations to provide collateral, [as illustrated in the example "A Surety Solution for Keeping the Lights On" of a supermarket chain.](#)

Other uses for surety bonds include:

- Deferred consideration — stock purchases and M&A
- Supply guarantees
- Deductible guarantees
- Duty deferment



A Surety Solution for Keeping the Lights On

Guaranteeing Energy Payments

Take this example of a supermarket chain looking to implement a new energy contract. The normal route for the energy supplier wanting to protect itself against any possible client insolvency would be for them to seek credit insurance on the supermarket but, because of the existing level of exposure to the supermarket chain within the credit insurance market, capacity wasn't available to the level required. As a result, the energy supplier asked the supermarket chain for an alternative form of security. The supermarket had two options: either a letter of credit, which would have been closer to the current base rate (currently at a 24 year high) — and would have tied up a significant level of working capital — or by turning to the insurance market for a surety bond.

Taking Advantage of a Surety Solution

Aon found a surety bond solution — effectively a contract guarantee supported by an insurer — for the supermarket chain which offered an alternative to funding a bank supplied letter of credit. Not only was it a win for the supermarket chain because of the money they saved without tying up working capital, but it also provided the energy supplier with a potential recovery of 100 percent of any loss on the energy contract —

compared to a possible recovery of 90-95 percent under a trade credit arrangement, which can also take weeks or months to pay a claim compared to days under a surety bond. The energy supplier also saved the cost of buying trade credit, and while the supermarket chain has the cost of the surety bond, they can use it as useful leverage when negotiating pricing and payment terms with their supplier.

Effectively, the surety bond facilitated a deal that might not have happened due to the lack of available trade credit which is obviously beneficial to making sure the supermarket chain's lights stay on, but also beneficial to the supplier who can look at taking on a client that they might otherwise have had to turn down.

Deal Size Grows

While there have been an increasing number of surety bonds entering the market — and capacity wise, Aon is seeing even bigger limits with one example worth over US\$2.4 billion — the underlying financial strength of the applicant is important; surety providers will not underwrite a bond if they think there is a chance that the buyer will become insolvent. It is though, very much a relationship driven business, and surety markets like to build long term partnerships with clients — often starting off with smaller bonds that will grow over time.



Changing Terror Threats

Another potential threat comes from terrorism which has undergone a fundamental shift over the last few years. The challenge has been how to protect a business from losses and work has been done to broaden insurance coverage.

Further down the supply chain, terrorism attacks can also impact supply and some countries that are part of the global supply chain experience much higher frequencies of terrorist attacks. There is also the broader peril of political violence which could be acts of insurrection, coups, mutinies, rebellions or civil war.

It's a challenge for every company but can be managed by a proactive risk management approach. If a company and its supply chain are in multiple countries it's important to see and understand the risk between each country so it can appropriately align its risk transfer (and risk mitigation) strategy.

The [OECD](#) defines resilience in the context of food and agriculture as the ability to prepare and plan for, absorb, recover from, and more successfully adapt and transform in response to adverse events.



3

Addressing the Impact of Climate Change



[Previous](#)

Changing Terror Threats

[Next](#)

Addressing the Impact of Climate Change

Addressing the Impact of Climate Change





As temperatures continue to rise and natural disasters grow in frequency and severity, businesses around the world are seeking new ways to adapt to climate change. For the FAB supply chain, finding solutions to environmental pressures is a complex – and urgent – undertaking. Analysis from investor group FAIRR, reveals that profits for the world’s largest livestock producers could fall by almost US\$24 billion (www.fairr.org) by 2030 as a direct impact of climate change.





To meet the needs of the planet’s growing population, food producers are searching for ways to run a sustainable and efficient business. The industry also needs to balance protecting its workers and daily operations amid growing climate threats, while scaling its processes to keep up with demand.

Companies need an efficient, end-to-end delivery model enabling flexible, innovative solutions that help cut costs and downtime, ensure operational resilience and product quality, and support ever-greater process automation. But as climate change makes extreme weather more frequent and severe, it increases the probability of events occurring that are far more intense than current operations in the FAB supply chain are able to withstand, meaning business leaders must maintain an understanding of climate risks and how to navigate them.



Global Food Companies Must Address Multiple Inter-Related Pressures

System-level Pressures	
 <p>Food Security</p> <p>By 2050 we will need to produce 60% more food to feed a growing world population</p>	 <p>Environmental Pressures</p> <p>The food-agri system is responsible for ~31% of global Greenhouse Gases (GHG) emissions, and key driver of biodiversity loss</p>
 <p>Fresh Water Availability</p> <p>The agriculture sector consumes 70% of the world's freshwater, which is becoming increasingly scarce</p>	 <p>Physical Climate Risk</p> <p>Climate-linked disasters caused US\$108 billion in losses in developing countries between 2008 and 2018</p>

Company-level Pressures	
 <p>Regulatory and Compliance Changes</p> <p>SEC, CSRD, potential carbon taxes, herd size reduction, mandates and subsidy changes</p>	 <p>Price Volatility</p> <p>Record breaking food prices experienced in 2022, high levels of price volatility impact the sector globally</p>
 <p>Supply Chain Disruptions</p> <p>High geographic concentration of food production makes supply chains vulnerable to disruptions</p>	 <p>Reputation and Brand Pressures</p> <p>Increasing competition and pressure to ensure brand reputation and consumer loyalty</p>

Impact of Climate Change on Operational Resilience

Supply Chain Security Changes to growing seasons and erratic and reduced rainfall patterns are disrupting raw material availability, quality and costs for processors and manufacturers.		
How This Impacts Companies		
Decreased productivity due to variable weather, drought, excess rainfall or occurrence of pest infestation affects availability and increases costs of key inputs such as sugar cane, corn, beets, citrus, coffee, tea, produce and grains.	Increased risk offers companies an impetus to strengthen supplier relationships and increase oversight of the supply chain.	Growth of viability in some regions for certain crops creates the opportunity to increase local sourcing (especially in higher latitudes) and in turn reduce emissions and logistics costs.
Infrastructure and Distribution Projected rising sea levels and more frequent and severe weather events threaten to increase logistics disruption and costs, and heighten risks to physical assets.		
How This Impacts Companies		
Greater disruptions of operations in supplies and inventory due to flooding, hurricanes and higher temperatures.	Higher temperatures will require more efficient heating and cooling systems.	More distribution network failures from weather damage to public infrastructure, such as roads and ports.

Water Scarcity
Climate change has intensified water scarcity, resulting in water shortages and droughts.

How This Impacts Companies

Increased risk of competition for water due to water scarcity in local communities, which may have consequences for cost, reputation and gaining a licence to operate.	Declining water availability for growers and food manufacturers with operations in water stressed areas.	Risk of reduced yields or involuntary change of crop variety.	Industry sometimes negatively perceived as high water users.
--	--	---	--

Transition Risk May Cause Yield Volatility
Many FAB companies have made commitments to transition to net-zero, to meet the Paris agreements of limiting greenhouse gas emissions to 1.5C warming.

How This Impacts Companies

The urgent need for regenerative agricultural practices to restore depleted soil and yield fertility is resulting in a need to assess transition risks, due to a fast moving regulatory landscape.	Risk of failing to meet targets and risks inherent in the transition process itself.	Risk of funding gaps while transitioning to less emission intensive farming.	Nationally imposed transition targets.
--	--	--	--

Energy Shortages
Global energy supply is under pressure, exacerbated by the Russia/Ukraine situation, which in turn is driving increases to energy costs.

How This Impacts Companies

Energy shortages and electricity failures due to climate catastrophes can impact operations, perishable food storage and distribution.

4

Digital Transformation and Resilience



[Previous](#)

[Impact of Climate Change on Operational Resilience](#)

[Next](#)

[Digital Transformation and Resilience](#)

Digital transformation is taking place right across the food supply chain, from farm to fork, with agtech and foodtech growing exponentially. Supply chains are highly digitized, and food production is becoming increasingly technology-led. In turn, this all demands a greater focus on the operational resilience of every company's digital infrastructure.

Examples of the technology being implemented include the adoption of artificial intelligence (AI) and the internet of things (IoT) in areas like the use of smart labeling to track and monitor products throughout the supply chain journey, and the use of AI-assisted analysis to gauge market demand more accurately and reduce waste.

A renewed focus on food quality management practices is seeing a growth in the use of sensor technology which can monitor and correct conditions during storage and transportation. While in logistics and warehousing, the industry is continuing to embrace automation with driverless trucks and autonomous mobile warehouse robotics.

Large companies in the food production industry are also collecting vast amounts of data at a rapid rate. Managing, storing, and working with this data can be both costly and labor intensive so machine learning is something that can assist companies in interpreting their data in more meaningful ways.

Embracing Digitalization

Being able to move quickly and digitalize all operations is a key factor for future success. Having a detailed understanding of a supply chain by embracing end-to-end technology improves the agility, responsiveness and overall operational resilience of operations without increasing costs and companies can achieve significant improvements in multiple performance measures when they integrate advanced digital technologies.

It's a win-win situation with outcomes showing an increase in productivity, lead time reductions, speed-to-market improvements, and energy efficiency improvements. But while embracing digitalization is important, there are additional risks which must be seen and accounted for within the context of an organization's overall cyber risk management framework.

These risks range from the possible disruption to key infrastructure, to confidentiality risk related to the theft of personally identifiable information in terms of the General Data Protection Regulation (GDPR). Business interruption from a cyber-attack will also impact a company's reputation up and down the supply chain, and the damage will be compounded if the organization is found to have had inadequate cyber risk management practices in place.

There are, however, many actions a business can take to reduce the chances of becoming a victim of cybercrime and to lessen the impact if they do fall victim. This includes developing a cyber defense system on the assumption that a business will be breached.

Cyber Risk Concern is High for FAB Companies

44%

Production companies (including FAB) rank supply chain disruptions as their top risk

[Aon 2022 Executive Risk Survey](#)

34%

Feel they do not have cyber risk within their supply chain managed appropriately

[The State of Cyber Security in the FAB Industry – Fortinet](#)

> 62%

Over 62% of victims of ransomware attacks in 2022 paid the ransom. Of these, less than half had their data partially recovered. **Ransomware will cost victims over US\$265 billion annually by 2031.**

[Statista.com 2023](#)

63%

Currently have a standalone cyber insurance policy, ranking as the fifth highest sector in terms of insurance uptake

[Hiscox 2022](#)

Building a Cyber Resilient Organization

Not Just a Tech Problem

Cyber security is not just a technology problem. The majority of attacks result from a person making an error such as clicking on a suspicious link. It's about making sure that awareness is raised with all employees. It's also important that physical and cyber security are connected as hackers might not just attack from a computer but might use lax physical security to gain access to a network.

The Impact of Cyber Disruption

The impact of cyber disruption on food, agribusiness and beverage companies is big, as can be seen in [Appendix I: Impact of Cyber Disruptions on Food, Agribusiness and Beverage Companies](#).

Building a Cyber Resilient Organization

It's important to approach risk management with an enterprise-wide view. From a supply chain perspective, supplier contracts and limits of liability based on the exposures they could introduce need to be evaluated on a regular basis.

A data driven approach to cyber risk management is critical and developing scenarios with clear parameters that can be quantified in financial terms is important.

Quantification of potential cyber scenarios allows informed decisions on how exposures are managed and how a cyber risk management budget should be allocated. This enables a business to decide its risk appetite and optimize the blend between technical control improvement, crisis management, business continuity planning, supplier contracting and risk transfer through cyber insurance.

Key Steps for Cyber Resilience

- Quantify potential cyber scenarios
- Assess cyber security maturity
- Decide on risk appetite and where to risk transfer through insurance
- Build incident response and business continuity planning capabilities
- Third-party review – understand the risk posed by suppliers/supply chain partners and manage these through use of third-party auditing in areas such as cyber security maturity/limits of liability



5

Food Safety and the Workforce Challenge



[Previous](#)

Cyber Resilience

[Next](#)

Food Safety and the Workforce Challenge

Food Safety and the Workforce Challenge

There's been an evolution when it comes to 'safety' within the FAB supply chain. The traditional focus on health and safety and the prevention of 'slips and trips' is changing to introduce a greater focus on employee wellbeing. According to Aon's 2022-2023 Global Wellbeing Survey, employee wellbeing — overall physical, emotional, social, career and financial health — was listed as the top priority for businesses over the next five years, beyond even profits and product innovation.

For FAB businesses, employee wellbeing is a particular challenge given the often stressful and uncomfortable working conditions for many workers. But getting it right can have a big impact not only on employee retention and productivity, for example, but also on the overall resilience of a business and in helping to prevent employee accidents and other risks such as potentially devastating product contamination issues, which could lead to financially and reputationally damaging product recalls.

Promoting a Food Safety Culture

The [BRCGS Global Standard Food Safety Issue Nine](#) — which provides a framework for food manufacturers when it comes to the production of safe food and meeting quality standards — references food safety culture and the need for organizations to ensure their workforce buys in to what the business is doing in terms of producing safe food for customers and consumers. To achieve that, employee wellbeing plays a key role.

A job is a huge part of an employee's life and the work environment is a significant factor in their happiness. Employers have a key role in creating an environment that enhances an employee's wellbeing. It means thinking not just about physical safety but how an employer can change their approach so they start to think about the wider aspects of wellbeing in their people strategy and how they retain and sustain people.

Creating Meaning and Purpose

Wellbeing can range from financial wellbeing to mental wellbeing. Is an employee financially stressed? And, if so, will the worry keep them up at night and potentially increase the chance of accidents and incidents when at work? Is an employee getting enough physical exercise and looking after themselves physically? Do they have meaning and purpose in their role and feel connected to the business's vision and mission?

Ultimately it is possible to clearly link employees' wellbeing to work behaviors and the likelihood of accidents or other risks, as well as other key areas like knowledge retention and workforce turnover. In turn, that can have a direct impact on insurance premiums in areas like employers' liability — workers' compensation — and product contamination insurance.

Preventing a Contamination Incident

Product contamination cover provides valuable balance sheet protection in the event of a recall, but like any insurance policy, it's the final piece in a risk management approach which should be as much about investing in people to build a food safety culture. If a business has a happy workforce, they will not only be more productive but are less likely to cut corners when it comes to safety issues. The best employers look after their staff, keeping them active and engaged which reduces the risk of a product contamination incident happening either accidentally or through malicious tampering, and further enhancing the operational resilience of the company.

Wellbeing and ESG

With the rise in companies focusing on Environmental, Social and Governance (ESG) factors, there is also a greater emphasis for businesses to look after their people and it's likely that leadership teams — if they're not already — will be at least partly rewarded based on their overall ESG performance. Employee wellbeing plays an important part in that ESG performance with most companies surveyed reporting that wellbeing was incorporated into their diversity equity and inclusion, and total rewards strategies — as well as 90 percent of companies reporting employee wellbeing incorporated into their health and safety strategy ([Aon's 2022-2023 Global Wellbeing Survey](#)), recognizing that producing food safely is now as much about employee wellbeing as it is in having the right procedures and processes in place.





How Aon Can Help



[Previous](#)

[Food Safety and the Workforce Challenge](#)

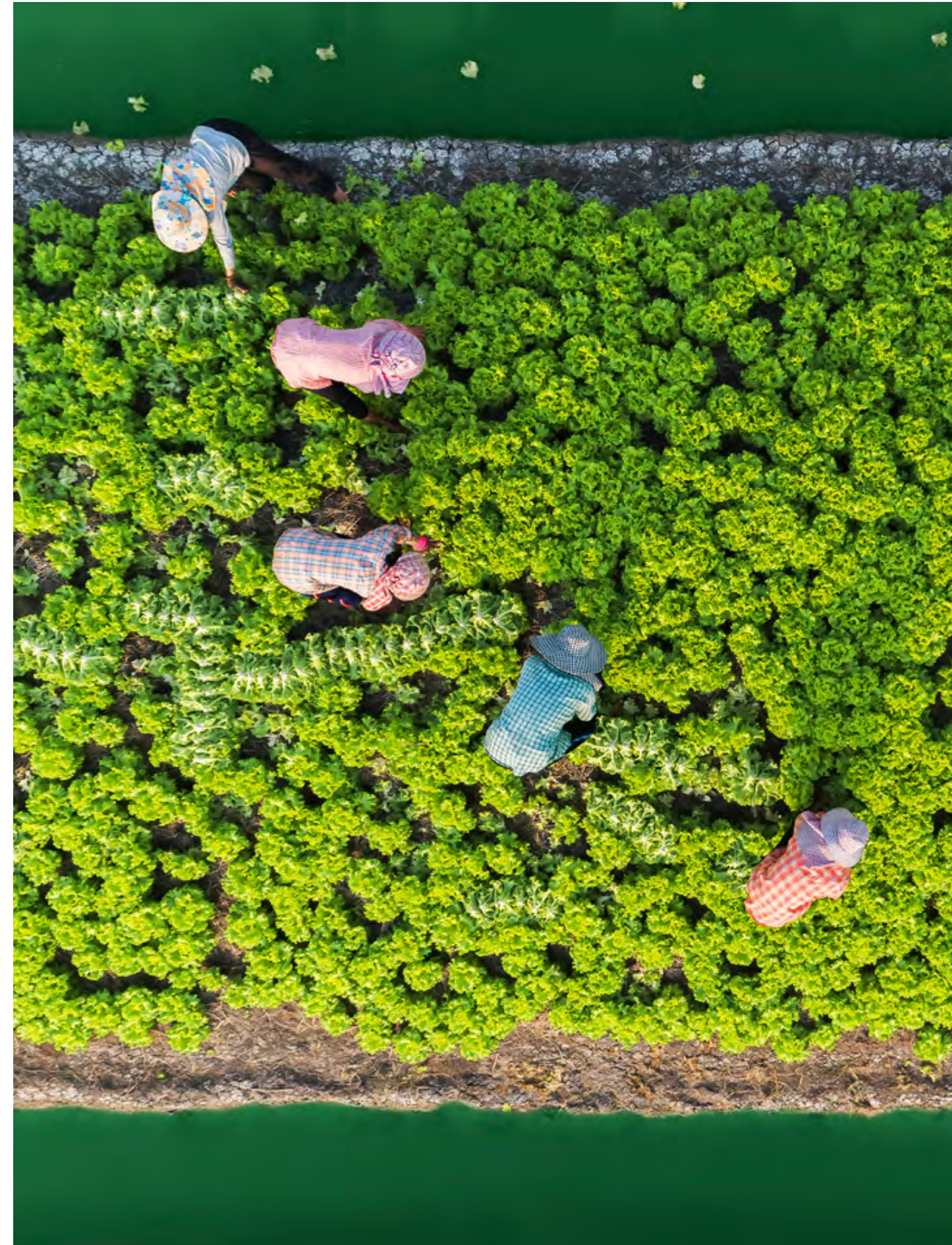
[Next](#)

[How Aon Can Help](#)

How Aon Can Help

Trends in economics, demographics and geopolitics — compounded by the rapid pace of technological change and the lingering impacts of the pandemic — are creating unprecedented volatility. At Aon, we have an in-depth understanding of the risks organizations in the FAB sector face and as a result we can support and advise on the best way to achieve operational resilience.

We work closely with our clients by taking a holistic approach to risk advisory, risk transfer and structured solutions that help better identify, quantify and manage today's evolving risk exposures.



Supply Chain Proposition

Aon's supply chain proposition offers bespoke advice, risk solutions and financial products across business interruption, credit, ESG, cyber, IP and risk governance that are focused on helping to:

- better understand risk in a supply chain — the most critical bottlenecks and the profile of risk issues facing suppliers;
- value the risk through economic modeling, quantification and use of data/analytics;
- address exposures through pre-emptive and reactive risk controls;
- match insurer capital to exposures through improved risk insights and the development of new supply chain products;
- join the dots around a common supply chain risk nomenclature to ensure consistent decision making.

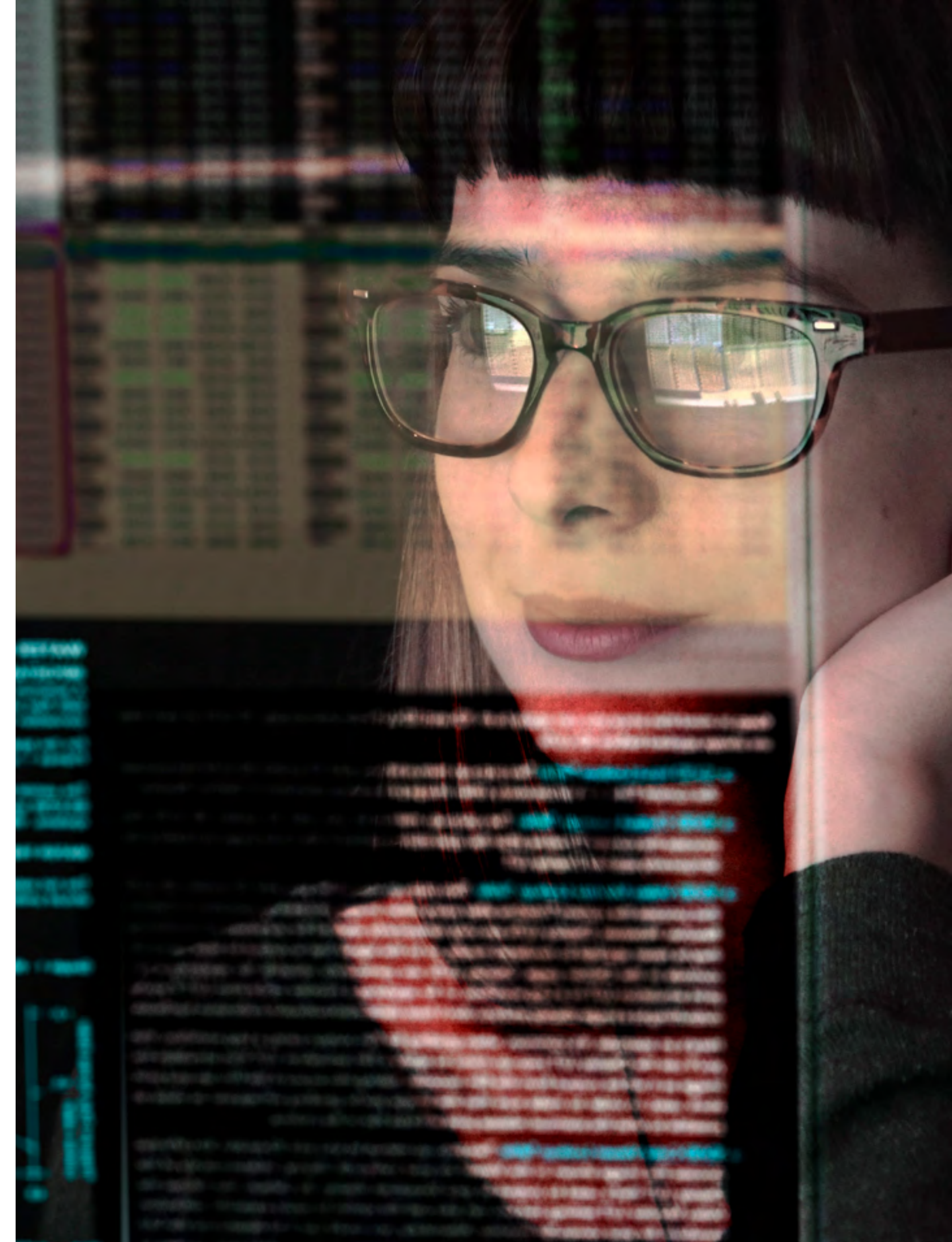
Supply Chain Financing

With traditional forms of business funding still proving difficult, many businesses are turning to supply chain finance as an alternative way to boost their working capital. It's an innovative way to help manage liquidity risk and provide an unsecured line of credit that doesn't impact on existing finance arrangements. Supply chain finance allows businesses to pay its suppliers while it can benefit from extended credit terms with no additional security as it's insurance backed.



Manage Cyber Risk

Aon has a range of assessment, mitigation, transfer and recovery services provided by our Cyber Solutions division that enable organizations in the FAB supply chain to manage their cyber risk. The size of potential losses from a cyber-attack can be quantified through a cyber impact assessment which enables an organization to understand its residual risk and obtain the appropriate level of cyber insurance coverage. A security and threat services assessment enables the implementation of a robust security tooling and implementation strategy, and a business continuity planning project provides the ability to minimise the impact when a cyber event takes place.



Climate Change Risk

Aon actively supports clients to identify their risks and opportunities emanating from climate change and helps to create effective climate solutions. Risks can be quantified over different future scenarios and a sound strategy for resilience can be developed and implemented – aligning with client expectations, shareholder values and regulatory landscapes.

Our range of solutions include:

- Enterprise risk management
- Physical and transition risk modeling and analytics
- Property risk engineering, mitigation and control
- Asset resilience advisory
- Risk financing advisory
- Suite of insurances including property, business interruption, non-damage business interruption, trade disruption, parametric, crop insurance, political risk, environmental liability and directors' & officers'

We can support and advise companies to innovate and grow profitably while doing the right thing for the environment, their people, customers and shareholders, as well as playing a part in improving health and nutrition. We have environmental risk modeling solutions that can help clients develop sustainability initiatives that include carbon emissions, carbon foot-printing, carbon credit verification and other greenhouse gas and global warming concerns.



The Future Workforce and Employee Wellbeing

Here at Aon, we support organizations to empower their workforce resilience and agility including future skills, Diversity, Equity & Inclusion and Wellbeing.

Future Skills

We have carried out extensive research into understanding what's important for future success. We can help organizations identify future leaders, find employees with the capacity to learn and adapt, mitigate employee turnover, manage future talent gaps and maximize the retentive power of any people programmes in place.

Diversity, Equity & Inclusion (DE&I)

We can enable DE&I through attraction, development and retention by:

- Attracting — Creating a 'candidate centered' recruitment journey including job relevant assessments enabling bias free and inclusive hiring
- Developing — Identifying high potential or hidden talent using robust, scientific and data based assessments
- Retaining — Democratize career development and learning opportunities linked directly to interests and business needs

Agile and Resilient Workforce

It's impossible to predict the future, but a business can prepare for change. Agility and resilience are two sides of the same coin. Where resilience is the ability to bounce back, agility is the ability to bounce forward. We can help organizations build an agile and resilient workforce that drives digital transformation and navigates disruption by:

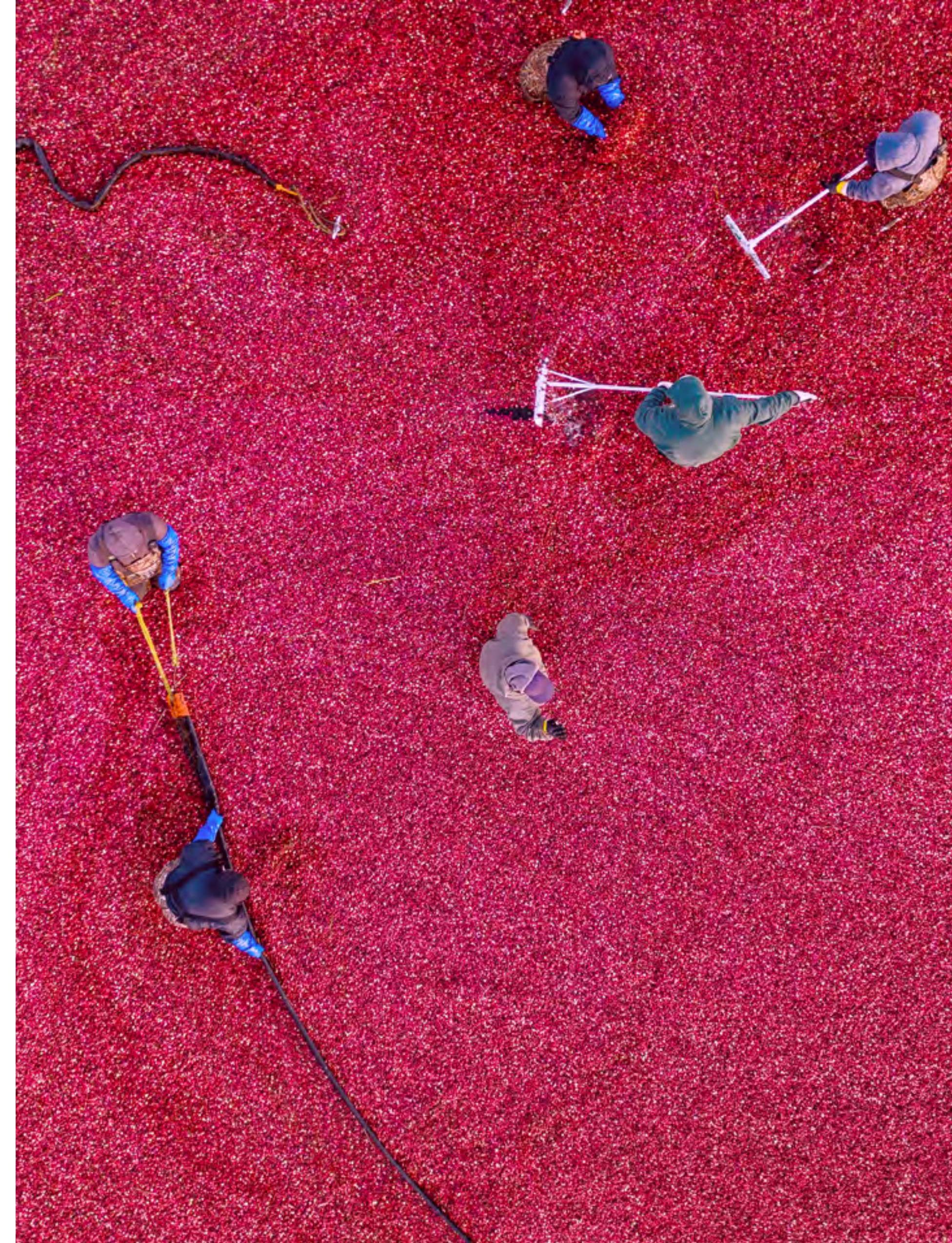
- Identifying risk of burnout and mitigating associated risks including medical claims and subsequent increases to insurance premiums
- Reducing operative risk by helping organizations hire talent aligned to associated and identified behaviors needed for fewer accidents and incidents
- Enable a structured 'career wellbeing program' with an agile workforce who can reskill and upskill as job requirements change as well as driving employee choice and ownership around career paths



Product Recall and Contamination

Aon's team of specialist Product Recall and Contamination brokers offer topical and ingestible product manufacturers, access to over 25 insurance markets dedicated to accidental and malicious contamination insurance.

Insurance can provide balance sheet protection, brand protection and access to specialist risk management consultants to help businesses manage a crisis. Policies also offer risk bursaries for pre-incident work — typically 5 percent of net premium.



Impact of Cyber Disruptions on FAB Companies

- <https://www.securityweek.com/molson-coors-cyberattack-storms-could-cost-company-140-million>
- <https://www.bitdefender.com/blog/hotforsecurity/campari-staggers-to-its-feet-following-15-million-ragnar-locker-ransomware-attack>
- <https://portswigger.net/daily-swig/drinks-giant-c-amp-c-group-subsiary-shuts-down-it-systems-following-security-incident>
- <https://www.syxsense.com/ransomware-attack-strikes-arizona-beverages/>
- <https://www.itwire.com/security/maze-used-to-attack-on-big-thai-beverages-company.html>
- [Ransomware hits U.S. candymaker ahead of Halloween \(nbcnews.com\)](#)
- [Ransomware hackers find vulnerable target in U.S. grain supply \(nbcnews.com\)](#)
- [New Cooperative hack: Russian hackers demand \\$5.9 million ransom - The Washington Post](#)
- [Big Companies Thought Insurance Covered a Cyberattack. They May Be Wrong. - The New York Times \(nytimes.com\)](#)
- [Meat giant JBS pays \\$11m in ransom to resolve cyber-attack - BBC News](#)
- [Schreiber Foods back to normal after ransomware attack shuts down milk plants | ZDNet](#)
- [Wawa's massive card breach: 30 million customers' details for sale online | ZDNet](#)
- [Frozen-food firm Apetito hit by cyber attack - Just Food \(just-food.com\)](#)
- [KP Snacks supply chain crunches to halt after ransomware attack | Latest News | Insurance Times](#)
- [COVID-19 and cyber-attack cause headwinds for Symrise \(foodingredientsfirst.com\)](#)
- <https://www.farmersjournal.ie/suspected-it-breach-at-centenary-thurles-coop-726530>
- <https://www.farmersjournal.ie/tirlan-investigating-after-milk-statements-sent-to-wrong-suppliers-726734>
- [Canada's Maple Leaf Foods hit by cyber attack \(just-food.com\)](#)



About Aon

[Aon plc](#) (NYSE: AON) exists to shape decisions for the better – to protect and enrich the lives of people around the world. Our colleagues provide our clients in over 120 countries and sovereignties with advice and solutions that give them the clarity and confidence to make better decisions to protect and grow their business.

Follow Aon on [LinkedIn](#), [Twitter](#), [Facebook](#) and [Instagram](#). Stay up-to-date by visiting the [Aon Newsroom](#) and sign up for News Alerts [here](#).

[aon.com](#)

© 2023 Aon plc. All rights reserved.

This paper constitutes information only and is not intended to provide advice. Professional advice should always be sought regarding insurance coverage or specific risk issues.

Aon UK Limited is authorised by the Financial Conduct Authority (FCA). The services described in this document are not regulated by the FCA.

FP.AGRC.1213

Registered in England and Wales.

Registered number: 00210725.

Registered Office: The Aon Centre, The Leadenhall Building, 122 Leadenhall Street, London EC3V 4AN. Tel: 020 7623 5500.

[Previous](#)

Appendix I: Impact of Cyber Disruptions on FAB Companies