



TALBOT
An AIG company

POLITICAL VIOLENCE & TERRORISM INSURANCE

Refining PVT insurance spend

Risk teams inside multinational organisations are confronted with a range of active threats. Considerations include:

- Where are our assets exposed to loss from malicious violence?
- How much value is exposed to these events?
- What does worst case loss look like?
- What can be done to protect our people, operations and assets?

Sense-checking how and where these perils can impact the organisation's assets, operations and people underpins strong risk management decisions.

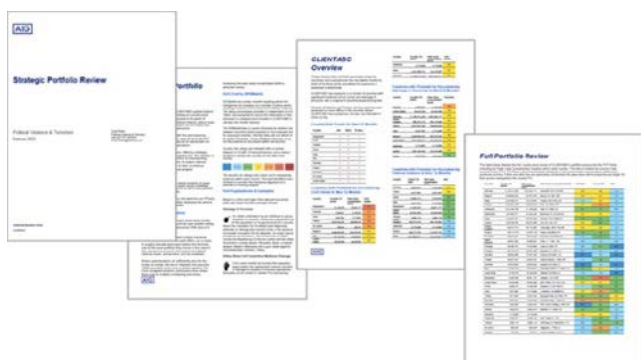
We can benchmark a multinational's portfolio footprint against reliable threat data and illustrate how these events can generate worst-case losses. Our Political Violence & Terrorism (PVT) team support clients building defensible decisions around their PVT programs, including those to include in an insurance program and how to select a first loss limit (FLL).

Our clients can access two solutions: a Strategic Portfolio Review and Explosive Blast Modelling.

Strategic Portfolio Review (SPR)

The SPR solution frames the risk to support internal decisions on changing investment in PVT insurance; whether buying for the first time or otherwise. This review generates country level analysis of a global portfolio. Blending asset values, loss assumptions and third-party intelligence analysis, it demonstrates where an asset base is exposed to Terrorism, Civil Unrest or Political Violence, and where these perils have potential to impact people, operations and infrastructure.

Analysis includes country risk and peril summaries, value concentrations, and where over the next twelve months this is expected to deteriorate, providing a review of current and future state of risk across a portfolio.



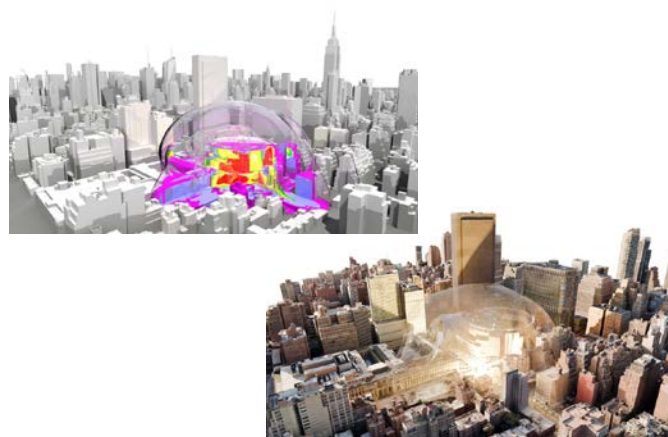
THE SPR DELIVERES A WIDE RANGE OF ANALYSES TO SUPPORT DECISION MAKING



Explosive Blast Modelling (EBM)

Blast modelling of a high explosive attack illustrates the scale of potential loss at a key, high value site. The EBM solution supports clients in understanding how "actual loss" is often significantly less than "full value loss", and enables defensible First Loss Limit selection for PVT programs (an approach that reduces the potential for over-investment in this insurance).

Partnering with third party modeling we generate high explosive scenarios for clients' selected sites. Using specialist engineers to interpret the physical damage, allows detailed estimation of property damage and business interruption, establishing a robust baseline to consider appropriate program limits.



EXPLOSIVE BLAST MODELLING VISUALISES POTENTIAL LOSS AT SPECIFIC LOCATIONS

AIG and Talbot PVT advisory



Risk Insight

- Our consultants and intelligence partners build awareness of exposures and potential loss.
- Using data, analytics and 'on-site' consulting our team contextualise PVT perils for clients, framing potential financial and operational impacts to build defensible insurance strategies.



Defendable Output

- Our EBM reporting is transparent, underpinned by detailed supporting information.
- Observations and considerations are accessible and framed for non-experts for discussion with the consultant.
- Modelling supports a defensible position on first loss limits for a PVT program.



Unbiased Data

- IHS Markit are London market's most partnered threat intelligence and analysis provider for PVT.
- Their analysis is independent of AIG and Talbot, unbiased and disconnected with any risk transfer decision.



Industry & Occupancy

- The modelling is used across a range of assets and occupancies.
- Our advisory team experience includes Manufacturing & Technology, Airports, Rail & Sea Ports, Retail, Real Estate, Life Sciences, Energy, Power & Extractives, & Hospitality.
- Explosive events can represent the worst case damage to assets from PVT related perils, far greater than bladed weapon, vehicle impact or firearms attacks.



Contact our PVT team

To discuss how we can support you in refining how you approach investment in your PVT insurance program, contact Scott Bolton scott.bolton@aig.com



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